

TWENTY CENTS

DECEMBER 20, 1930

DEC 27 1930

Sales Management

The Weekly Magazine for Marketing Executives



The Prince of Wales gives British sales managers a few tips

Britain's Best Salesman
Talks on Better Selling



Some Policies that will
Insure Profits for 1931



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*Reader
Confidence*
◇

READER confidence is the greatest asset a newspaper can have. Without it, all else is of small worth.

In New Orleans there is one newspaper that enjoys to a pre-eminent degree the confidence of its readers. That newspaper is The Times-Picayune. Established in 1837, it is now serving a fourth generation of readers. Its growth has been steady and consistent and because it is built upon the solid foundation of merit, it remains year after year supreme in its field.

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TEN years ago The Chicago Daily News was an excellent advertising buy for the merchandiser seeking to reach and influence the Chicago market . . . A good newspaper. A strongly entrenched reader-following among the responsive buyers of advertised merchandise. A growing leadership in lineage. A low rate per thousand of circulation for its advertising space . . . Today, The Daily News is an even better medium in a greater market . . . A vastly improved newspaper in its personnel, appearance and facilities for serving reader and advertiser. A larger circulation. Continued advertising leadership . . . AND A LOWER RATE PER THOUSAND FOR ITS ADVERTISING SPACE THAN TEN YEARS AGO. ¶ The efficient way to the Chicago buyer lies through The Chicago Daily News. Its circulation of more than 440,000 is home-directed, family-read, and concentrated more than 94 per cent in Chicago and its suburbs . . . Advertisers, recognizing this efficiency, are placing in its columns a greater proportion of their advertising in 1930 than they did during 1929.

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DETROIT
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3-241 General
Motors Bldg.
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ATLANTA
A. D. Grant
711-712 Glenn Bldg.
Tel. Walnut 8902

NEW YORK
John B. Woodward, Inc.
110 E. 42d St.
Tel. Ashland 2770

SAN FRANCISCO
C. Geo. Krogness
303 Crocker 1st
Nat'l Bank Bldg.
Tel. Douglas 7892

**MEMBER OF THE
100,000 GROUP
OF AMERICAN CITIES**

THE CHICAGO DAILY NEWS

Chicago's Home Newspaper

Preplanning to Secure 1931 Profits

Your profits for 1931 will depend upon preplanning and persistent fighting. A most careful study of expected sales for the new year shows little indication of a rapid return to the 1929 level.

If your business needs more profitable sales, reduced costs or an effective control of your operations, would it not be well to consult a specialist? It will cost you but two hours' time to determine whether a Bigelow, Kent, Willard general survey can help you. Such surveys have helped hundreds of others.

An interview with one of our representatives entails no obligation, yet from it may develop a new profit creating program.

**BIGELOW,
KENT, WILLARD
AND CO., INC.**

**Consulting Engineers
and Accountants—
Merchandising
Counselors**

**PARK SQUARE BUILDING
B O S T O N**

Survey of Surveys

BY WALTER MANN

Editor & Publisher 1931 Market Guide

"At a time in the economic history of America when there is imperative need of applications of science in trade," says the preface, "Editor & Publisher brings out this, its seventh annual Market Guide.

"Owing to an infinite variety of changes in the industrial and marketing situation during a disturbed year, this issue of the Guide will serve an unusually important mission. Its content is new and up-to-the-minute from cover to cover. The individual city and town surveys will be found more accurate and complete than in any previous issue, yielding to all engaged in the distribution of merchandise or service, or in advertising, service of incalculable value. The 1931 Market Guide contains detailed surveys, according to an established form, for more than 1,400 cities and towns, with forty-eight special state surveys.

"The great purpose of the Market Guide is to eliminate from newspaper advertising the element of speculation—so that a sales manager sitting at a desk in a New York, Chicago or a San Francisco office may, by turning the pages of this Guide, familiarize himself with essential business information upon which he may accurately predicate action."

The population figures showing in its pages "have been assembled entirely from the latest returns in the 1930 United States Census. The populations herein given for many towns have not heretofore been broadcast in any other medium. The Guide adopts official government census returns throughout, although it must be understood that some of these reports are at present challenged by local chambers of commerce. There are instances wherein these disputed population returns have been revised, but most of them stand as recognized by the United States Census Bureau.

"Population percentages of native white, Negro, foreign-born and similar classifications have not been changed from the 1920 reports because official census classifications are not available at this date. The statistics describing local educational facilities have been carefully corrected throughout the Market Guide's listing, sources of information being local chambers of commerce, boards of education and the editors or publishers of local newspapers. Similarly there are complete new statistics in the 1931 Market Guide, also gained from reliable local sources, for churches, theatres, banks, residential features, transportation facilities, principal industries, trading areas, retail and wholesale outlets, and other miscellaneous data.

"In the instance of banks and their resources the Guide has taken pains to have all figures checked by state banking departments. Every survey in this Guide contains the latest facts regarding new and improved transportation facilities, which, of course, have large bearing upon trading habits. The reports concerning principal industries and manufactures have been revised throughout and the Guide contains

more city and town surveys and more descriptive facts than in any previous year."

The various trading area definitions represent "the areas of greatest population concentration, greatest accessibility, and the strongest newspaper coverage, the areas where an advertising appropriation can be concentrated and related to distribution to produce the greatest possible volume with the smallest possible expense.

"The Guide has checked with great care all statistics in reference to retail and wholesale outlets, not alone through local newspapers and chambers of commerce, but with national organizations in possession of the facts. This is particularly true in reference to the chain store field. Many valuable corrections will be found in this classification, and we believe the figures as presented in this issue of the Guide are as nearly accurate as it is possible to find in the retail and wholesale outlet field, which, of course, is in a constant state of flux.

"Many of the surveys in last year's Guide lacked the classification, 'Miscellaneous Data.' Recognizing the importance of many of the items that come under this classification, the editors have this year given particular attention to the miscellaneous features and it will be found much improved." Particular attention is called to "the new facts herein set forth concerning gas and electric service and ownership of the home radio." Statistics "concerning airports and landing fields have been checked from Government bulletins and have been corrected and revised to include the name, the description and the distance from the nearest city of these airports and fields."

In this review, which is so full of excerpts and quotations, S. O. S. is reminded of the lazy colored man who kneeled in church next to a much more earnest and voluble penitent in prayer. As the penitent would stop for breath after a particularly impassioned plea, the lazy fellow next to him would sigh, and say languidly, "Me, too, Lord—me, too!"

Probably the "me too" tendency is partly born of the fact that SALES MANAGEMENT too is the author of an annual statistical market guide of no mean proportions. Hence we know something of the magnitude of the job—and tend therefore to be a little lenient with some of the questionable features which might be found in any such compilation (such for instance as the trading areas which we understand are based primarily on the concepts of cooperating newspaper publishers whose natural instincts are to claim a wide influence for their respective papers). Our feeling is that Editor & Publisher is in the main to be commended for the thorough and valuable contribution to the 1930-31 market data now available for sales and advertising managers.

A brief description of the vital statistics contained in this monumental general handbook is as follows: For each town having a morning or evening newspaper, the 1920 vs. 1930 population; the number

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New York. Phone
Lexington 1760



Photo, courtesy, Bowery Savings Bank, New York City

SAVINGS bank executives from widely scattered cities report, in this issue, on withdrawals during the last week in November and the first week in December. The figures indicate that holiday buying will probably hold up much better than certain pessimists have predicted.

* * *

IN view of the efforts being made by many national advertisers and publishers to place space buying and media selection on a more scientific basis, the article on page 456 of this issue may prove of special interest to SALES MANAGEMENT readers. It explains a method for selection developed by a big food advertiser.

* * *

THE only way to insure profits for 1931, says C. E. Knoeppel in the leading article in this issue, is to provide for those profits first, then build a sales plan that will produce them—not shoot blindly at a big sales quota and trust to luck that the balance sheets will be black twelve months later.

* * *

COMING soon: an article which analyzes the reasons for the need of good artistic design in industrial products.

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RAYMOND BILL, President; PHILIP SALISBURY, Vice-President and Director of Advertising; J. F. WEINTZ, C. E. LOVEJOY, Vice-Presidents; M. V. REED, Eastern Advertising Manager; R. E. SMALLWOOD, Circulation Manager; G. D. YOUNG, London Manager. Published by SALES MANAGEMENT, INC., 420 Lexington Avenue, New York; Chicago Office, 333 North Michigan Avenue; London Office, 33 Chancery Lane, W. C. 2.

LOOK INSIDE These SMALL TOWN STORES



and SMALL TOWN HOMES



Through the "MARKETING SURVEY OF TWENTY-NINE SMALL TOWNS"

Brand competition and brand preference — standards of living — buying habits — what small town residents read — all this and much more revealed by personal interviews with grocers, druggists, garage owners, bankers, other business men and hundreds of consumers scattered through five states.

Free to sales and advertising executives. Write for your copy.



Read Every Week by Over 415,000 Families
in 14,000 Small Towns

Member A. B. C. Williamsport, Pa.

Tips

These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Markets and Media

The Home Town Paper of the Freeest Spending "City" in the World. The word "city" as used in this survey is an all-inclusive term to designate the amusement field whose "home town paper" is the *Billboard*. Tabulations show how the 47,339 buyers and 164,686 other readers who are engaged in motion pictures, the stage, bands and orchestras, circuses and rodeos, carnivals, parks and pools, fairs and celebrations spend their average weekly income of \$72.62.

As They Like It. *Business Week* has assembled and published in an attractive little booklet excerpts from unsolicited letters from their subscribers, telling what, why and how they like the publication.

Advertising Linage Almost Normal. A study made by the Williams & Cunningham Company giving in text and chart form lineage figures for the year 1929 and 1930 in both newspapers and magazines measured against the averages for three normal years (1926-7-8).

City Coverage Map of Dallas, Texas. The *Dallas Morning News and Journal* makes an analysis of homes, home buying power and city coverage and presents its findings in the form of a large three-color map dividing the city into districts according to residential rental values, and the number of homes in each district.

The Woman Hunt. *Farmer's Wife* propounds seventeen merchandising questions and obligingly supplies their answers. They are, of course, questions which lead up to the importance of the farm woman in the merchandising scheme of things and how best to reach her. The booklet is full of maps and charts which show territories which yield richest dividends to the marketer, comparative circulations of women's magazines and a list of advertisers who have used the *Farmer's Wife* with good results.

Circulation by Counties. Advertisers and prospective advertisers in six leading women's magazines will find useful comparisons in this *McCall* sixty-four-page folder giving for 3,076 counties the population and circulation of each magazine.

A. N. P. A. Standard Market Survey of Boston. The population of the fourth market in the country, including an A. B. C. suburban district of thirty miles, is approximately 3,000,000. This standard survey, besides giving useful data on population, standards of living and retail outlets, has an excellent township map of the area. Sponsored by the *Boston Globe*.

Three Ways to Increase Sales. Remington Rand, in the foreword to this booklet, asks twelve questions. If you cannot answer the last six, it is fair to assume that the booklet will be helpful. These six are:

How many customers have you added in the past year?

How many have you lost?

How many old customers have not bought this year?

How do present sales to each customer compare with previous periods?

What are each customer's total requirements?

What proportion of that total is he buying from you?

Management

Index of Economic Reports. Lists titles and gives short descriptions of more than 400 articles and reports on problems of management issued by the Metropolitan Life Insurance Company. The titles are arranged in two classifications, first according to the field of management, such as production, sales, finance, etc., and second according to industries or businesses. A few of the titles which should interest readers of SALES MANAGEMENT are: *Developing Old Products and Introducing New Ones*, *The Use of Research in Sales Management*, *Radio as an Advertising Medium*, *The Changing Scene in Marketing*, etc.

Significant News

• • • Holiday shopping has been in good volume this week, but total volume for the period will be considerably below that of last year.

• • • Two or three bright spots appeared in the November report of Julius H. Barnes, chairman of the National Business Survey Conference, covering eleven months. He finds that in certain industries production and consumption have been balanced, thereby opening the way for increased activity. He also finds evidence of improvement in the United Kingdom, Germany, Belgium, the Netherlands, Canada, China and India.

• • • Average commodity prices broke sharply and unexpectedly last week to much the lowest point of the year, the Irving Fisher index number dropping to 79.8, compared with 80.7 the week before.

• • • Employment in November was 2.5 per cent less than in October and payrolls were down 5.1 per cent according to the Bureau of Labor Statistics based on returns from 41,425 establishments having 4,712,082 employees, receiving wages of \$115,905,230 a week.

• • • Manufacturing industries lost 2.7 per cent in employment compared with a loss of 3.6 per cent in the same period a year ago. Twelve of the fifty groups showed gains. [An editorial note on another page discusses this subject.]

• • • Industry is now operating at 86.81 per cent of capacity, according to John E. Edgerton, president of the National Association of Manufacturers. His estimate is based on returns from 939 companies, employing 477,499 persons. Of these companies 216 have increased their employment since July, 176 have made no change and 547 have been forced to make reductions.

• • • President Edgerton says that "most of the blame for our tardy economic recovery is to be found at the door of the consuming public which has retrenched too heavily in its normal purchase of the ordinary things of life."

• • • International Shoe announced price cuts this week ranging from five to thirty-five cents a pair. For the year ended November 30, net income was \$17,031,434.

• • • The international sugar conference, gathered to agree on regulation of supplies, broke up this week without result because of the withdrawal of the German delegates who declared that their country's financial obligations abroad compelled it to push exports of all kinds to the limit. An effort will be made between now and January 15 to induce the Germans to change their minds.

• • • The Atlas Supply Company, formed to furnish tires to oil companies for their filling and service stations, has a new customer in Standard Oil of Ohio, which is soon to join Standard Oil of New Jersey and Standard Oil of Indiana, in this line of business. Standard Oil of California and Standard Oil of Kentucky, it is understood, will enter the combination at an early date.

• • • The Atlas Supply Company will be owned by the five companies which thus will form a tire distribution

chain from coast to coast consisting of more links by many thousands than are to be found in any existing chain. United States Rubber and B. F. Goodrich have undertaken half of the Atlas requirements. Atlas tires are to be offered to dealers at prices which will assure an adequate profit for handling if sold to consumers for something more than the mail-order houses charge.

• • • Royal Baking Powder has been directed by the Federal Trade Commission to stop issuing statements through a publicity agent tending to prejudice the public against products of Royal's competitors. The company is further stopped from circulating the report of the commission's examiner in the case in such a form as to indicate that his report was approved by the commission.

• • • Something like permanent employment as well as better work is the goal of a movement for greater interest in personnel problems now gathering force among relatively small employers, according to W. E. Yeomans, manager of the Industrial Bureau of the Merchants Association of New York.

• • • J. C. Penney inventories at the end of November were only \$41,000,000, a reduction of \$10,000,000 in eleven months, in spite of a considerable increase in the number of stores. This is the result of a new plan for stricter watch of inventories and operating costs.

• • • Prices of branded lines of women's dresses are likely to be revised downwards, according to trade reports, provided inquiry shows that such a step can be safely taken.

• • • Uniform costs and other benefits of associated action are promised for a plan just adopted by thefeldspar industry following recent anti-trust law decisions which are interpreted as showing that the Supreme Court will approve association activities that are clearly in the public interest.

• • • The plan provides among other things for determination of selling prices, based upon a uniform cost accounting system, an agreement not to sell below cost, and distribution of a certain percentage of net profits to employees.

• • • Kroger Grocery & Baking chain has adopted the thirteen-month calendar, to take effect January 5, 1931.

• • • The Federal Trade Commission in its annual report recommends amendment of the organic act, creating it so as to put beyond question its right to make trade investigations at the request of either house of Congress.

• • • Canada's gold production is increasing so rapidly that, according to the minister of mines there, Charles McCrea, the dominion will next year move into second place from third as a source of the monetary metal.

• • • While Canada Dry Ginger Ale's sales in the year ended September 30 were only 5.4 per cent less than in the previous year, volume of business in October was the lowest in any month of this year. November sales were distinctly better, however, and the same was true of the first half of December.

Some Policies that Will Insure Profits for 1931

THE year 1930 has been a "depression" year. The year 1931 will be a "recovery" year and 1932 will be a Presidential year.

The matter of profits for the years 1931-1932 is, therefore, of unusual moment to industrial managements at this time, charged as they are with the responsibility of their stockholders regularly receiving their proper "wages." They face a real problem in keeping out of "red," making enough to pay dividends and, in addition, laying aside a surplus for a rainy day.

Added to this is the certainty that, on the next up-swing in business, there will be one of the most intense competitions that industry has yet seen. It will not be surprising if many managers grow gray and start biting their finger nails.

But is the task of making profits an insurmountable one? No!

Is there a way of going at it to "assure" making a sufficient margin over outgo to take care of legitimate profit needs? Yes!

These are *not* the facetious answers of a crack-brained theorist. They are the serious answers of one who, after a quarter of a century of active practice, desires to be constructively helpful.

No naval commander would risk going into an engagement at sea until his ships had been "stripped for action," with everything and everyone in readiness. He would have definite plans covering the approaching encounter. Neither would a military general go into action without a "plan of campaign" worked out to the last detail, even to one covering a surprise attack, as well as a retreat, should either be necessary.

In other words, assuring profits in a business should be an ante-mortem, and *not* the usual post-mortem. This means that the making of profits should be planned in advance and controlled currently, just as we plan and control the flow of production through our plants.

A man is considered wise who, out of his income, first deducts enough for life and other insurance premiums, savings, rent, funds for Christmas and vacation and emergencies, and then lives on the balance. Why should not

Here is a method for approaching the study of profits which is applicable, at least in some measure, to almost every type of business. It details a scientific method for assuring reasonable profits at the end of the year, rather than trusting to the god of luck and favorable breaks in business conditions.

BY C. E. KNOEPPPEL

Industrial Engineer, Cleveland, Ohio

a business make profits the *first* deduction from the sales income, and then *budget* its affairs to "live within" the balance?

The budget is to a business what battle plans are to military general and naval commander.

The chart illustrated herein—the "profitgraph"—is a plotting which reflects the business "plan of affairs," or the budgeting of the company. Everywhere it has been shown it has attracted considerable attention. When it has been properly used it has helped to bring about surprising results.

The principle behind the charting is that, while sales income begins at zero and crosses the 100 per cent sales capacity line at "X" point, the total cost line doesn't begin at zero, but at a point where the fixed and semi-fixed costs of a business end, and crosses the 100 per cent sales capacity line under the sales line. Below this "cross-over" point losses are sustained, while above it profits are made. By plotting the proper items in the profit area, it is possible to read off their relation to both the money and capacity scales, as will be seen by consulting the chart. It will also be seen that up and down the capacity scale the budgeting is on a basis that is automatically "variable." Furthermore, for each percent of capacity there is a graphic "income statement" in budgeted form.

Another important feature will be seen from the following illustration. The human being first gets into an unhealthy condition, becomes dangerously ill, reaches the crisis stage, and then dies or begins a slow recovery.

The same thing happens to a sick business, which the "profitgraph" indicates, as follows:—

"Unhealthy" point—below which common dividends are not earned.

"Danger" point—below which preferred dividends are not earned.

"Crisis" point—below which interest on borrowings is not earned.

"Profitless" point—where losses end and profits begin. If losses continue long enough the business also dies (becomes defunct, reorganized, or acquired by others).

These are the points every business should be informed about, but how many have "profit course" charts showing them? What would be thought of a hospital management which did not provide charts covering the various patients, or a ship captain without charts in a storm?

Then, there is the "deadline" point to consider—the point where the profit on sales equals 6 per cent on the capital investment. Up to this point, this profit is the return on the money involved. *It is only after this point is passed that a business earns profit "as a business."* For this reason, the chart is divided into three areas—loss, profit and the middle as the "twilight zone." In other words, the area from deadline point to line of 100 per cent practical sales capacity, is the area toward which all should direct their efforts.

Sounds simple, doesn't it? Well, it is simple—if certain other requirements than those previously mentioned are met.

In the first place, the budgeting should synchronize the work of sales,

production, administration, and finance divisions of a company, otherwise it will not produce the results that are possible. Furthermore, the budgeting must tie in with the accounting records in order to insure accuracy and talk the same language.

Then, the controller (as profit engineer) must be under the chief executive, and on a par with the general manager, thus linking the functions of "line" direction and "staff" coordination, in this way giving the chief executive a right and left hand. This insures the most efficient management possible, because of the proper balance of line and staff organization.

Finally, the personnel should be so organized that ways and means can be found to make the difference between sales income and deducted profits sufficient to take care of the needs of the business for manufacture and selling.

How? Through a coordinated plan of cost reduction.

As will be seen by referring to the "profitgraph," it is the fixed and semi-fixed costs which cause the "cross-over" of sales and total cost lines—a

fact that is not generally realized. If all costs were variable costs, profit or loss would begin from zero on the chart, depending on whether the business was successful or otherwise. But some costs are fixed and others semi-fixed, and by superimposing their area on top of the variable costs area, the total cost line is over the sales line up to a certain point, beyond which it is below the sales line.

If, therefore, the fixed and semi-fixed cost area can be made lower, it follows that the "cross-over" point will start at a lower point up the capacity scale, and the profit area will become larger. If the variable costs can be reduced, this will also serve to lower the "cross-over" point and make the profit area larger. Consequently it can be seen what the effect of reductions in both fixed and semi-fixed items and variable costs can mean in their effects on "cross-over" point and profit area. This is why an attack by an entire personnel on both types of costs is so important. The word "fixed" is only a word, and the engineering approach can be toward finding

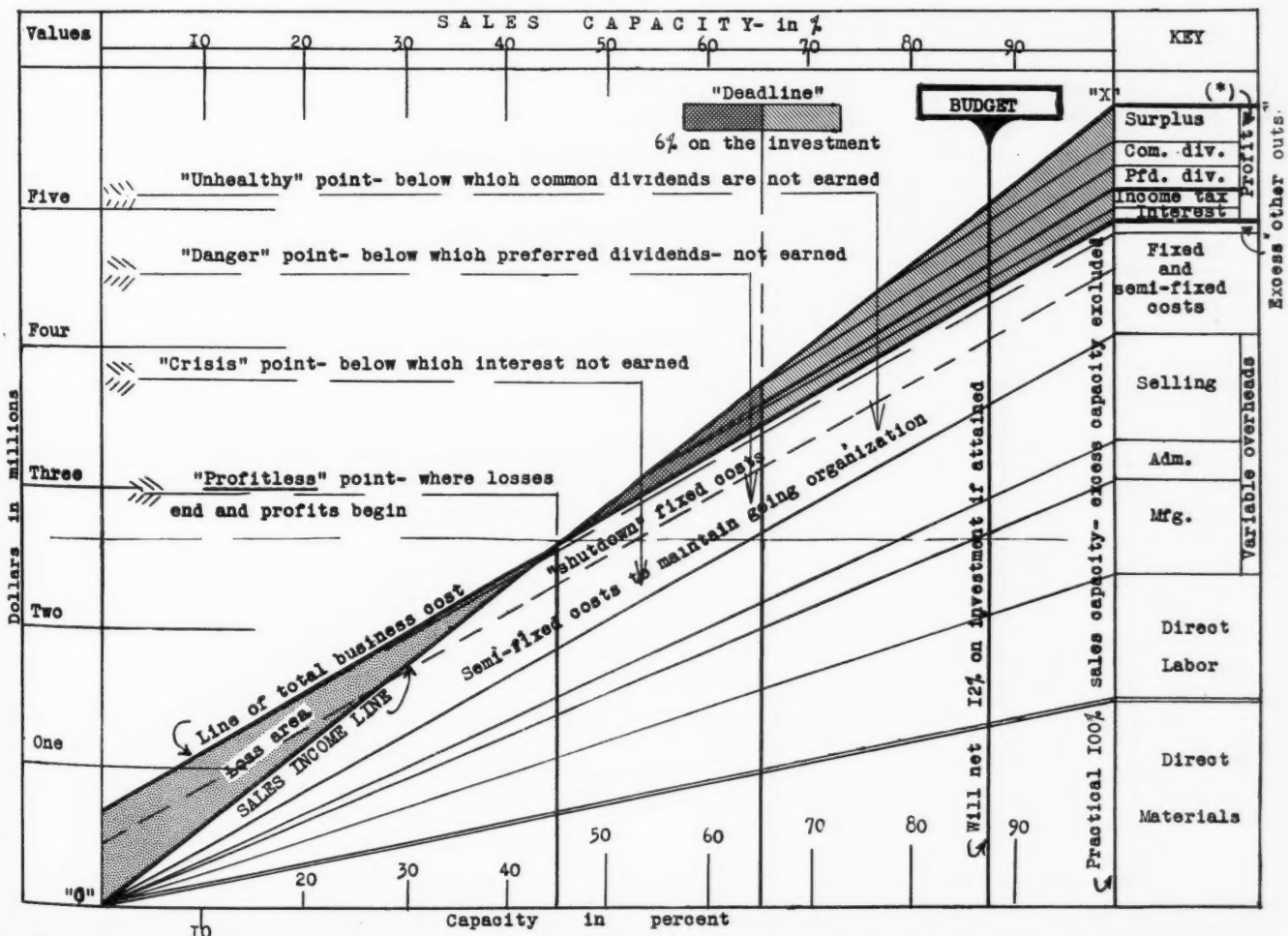
out what is "uncontrollable" in these supposedly non-variable items and remove the prefix "un." Waste elimination, research, incentives and other methods of attack can be used to depress the total cost line, considering for purposes of this paper that the sales line is a constant line.

To aid in accomplishing what is possible, budget "targets" should be provided, with means for scoring hits and misses. The sales dollar with its various divisions is the main target. There is also the material dollar and its component parts, also the labor dollar, the selling cost dollar, the purchasing department dollar, and on through the list. In this way you make a game out of it all. If ten men are given rifles and told to shoot, each will shoot in a different direction. But if a target is provided, all ten will in time hit the bull's-eye. This kind of target practice will be found most profitable—especially if personnel is rewarded for hits. Here, then, are the ten steps in "assuring" the profits required by a business:

(Continued on page 483)

"Profitgraph" for 1931

Showing "profit course" with various critical points to be watched



Media Adaptability Chart

1	2			3			4			5							6		7		8			9			10
MEDIA in ORDER of CIRCULATION	EDITORIAL COOPERATION (25 points)			WHERE IS IT BOUGHT (15 points)			COST A 1000 UNREP. CIRCUL (15 points)			HOW IS IT BOUGHT (12 points)							WHO BUYS IT (10 pts.)		MDSG. Possibilities (10 pts.)		ADVERTISING VOLUME (10 points)			SPECIAL REASONS (3 points)			TOTAL POINTS FOR EACH PAPER
	Food Appeal	Women Appeal	General Appeal	City Over Rural	In Trade Centers	Where Present Business	Useful Circulation	Page Cost Black and White	Page Cost In Colors	Price Per Year	% By Mail	Mail Renewals	Installation	In Clubs	With Premiums	Bulk	Income Over \$2,700	Families Of Over 3	Dealer Influence	Field Work	Food Advertising	Food Concentration	General Advertising	Research	Color Cycle not necessary.	Other	
	(15)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(3)	(25)	(7.5)	(1.5)	(0.5)	(0.5)	(0.5)	(5)	(5)	(5)	(5)	(3)	(4)	(3)	(1)	(1)	(1)	
MAGAZINE NO. 1	5	4	4.5	3.4	4.5	4.4	3.7	3.7	3.7	3.0	0.8	1.9	0.5	0	0.5	0.5	3.2	3.9	4.1	3.0	2.0	3.7	2.2	0	1.0	1.0	68.2
MAGAZINE NO. 2	6	4	4.5	3.3	4.9	4.2	3.9	3.7	3.3	3.0	0.6	2.4	1.5	0.5	0.5	0	3.8	3.2	5.0	2.5	2.5	3.9	3.0	1.0	0	0	71.2
MAGAZINE NO. 3	4	2	5.0	3.9	4.1	4.0	3.5	3.5	3.2	2.1	0.7	2.7	0.7	0.3	0.5	0.5	2.8	2.5	2.8	1.0	1.2	2.7	1.6	0	1.0	0	56.3
MAGAZINE NO. 4	5	3	5.0	3.0	3.6	3.1	3.0	3.5	3.0	2.0	0.8	2.2	1.5	0.3	0.5	0.2	2.4	3.8	2.5	1.3	1.9	3.2	2.1	0	1.0	0	57.9
MAGAZINE NO. 5	10	3	5.0	3.8	3.8	4.1	5.0	3.6	2.8	2.6	1.9	1.5	0.2	0.3	0.15	0.5	4.0	3.5	2.2	2.1	1.4	2.8	1.5	0.5	1.0	1.0	68.25
MAGAZINE NO. 6	10	4	5.0	3.4	3.8	4.0	3.8	3.1	2.9	2.8	0.8	3.1	0.4	0.2	0	0.5	4.2	3.5	4.9	2.0	3.0	4.0	2.5	1.0	1.0	0	73.9
MAGAZINE NO. 7	12.5	4.5	1.5	2.3	1.2	1.8	0.8	3.0	3.2	2.2	1.7	2.9	0	0.4	0.4	0.5	2.1	3.0	0.8	0.9	0.7	1.8	0.9	0.5	1.0	0	50.6

One Plan for Rating and Selecting National Advertising Media

MANY space buyers know that, in spite of all the efforts toward development of more scientific methods of media selection, the deciding factors in making up a list are often determined by two main items: the size of the appropriation and "what magazines are our competitors using?" A third factor—results achieved by the agency's other clients in various media—is sometimes present.

While there are still many stumbling blocks in the way of the concern seeking a more scientific method of quantitative and qualitative analysis, still more progress is being made toward getting space-buying off the hazardous and illogical basis commented upon above. This article is the result of one firm's efforts to build the foundation for a permanent guide to the best media for advertising a line of foods.

In selecting any one medium or type of medium, it is necessary to consider product, market, publication and their interaction upon each other. Assuming that we are interested only in periodicals with great national circulations, the next important factor is: what magazines have the greatest reader-interest for women, who constitute practically the entire buying

BY WALTER ABEL

group for this type of product. Another criterion is the amount and quality of editorial matter directly related to the use of the product—in this instance, cooking, baking, diet, etc.

Other factors being equal, tabulation of inquiry returns over several years has definitely proved that recipe advertising copy placed near matter related to foods and their preparation, cuts the cost an inquiry for us as much as 90 per cent. An agency executive with whom we discussed the evaluation of farm papers for dairy feed said that a similar investigation, covering 350 issues of twenty-four publications, showed a parallel reduction in costs a coupon when the advertising was backed by editorial cooperation.

We don't include under this head articles prepared by the sales promotion staff or any obviously canned type of press agent copy. Such "filler" does more harm to the advertiser than it does the publication weak enough to print it.

One doesn't need a course in psychology, however, to see that the risk of failure in trying a new salad oil will be lessened, if the copy and

recipes in the advertising are associated with names like Anne Batchelder, Katherine Fisher, Lita Bane and Alice Bradley. Quite obviously Mrs. Newlywed and her sister as well as her mother are going to accept your product and all statements associated with it more readily when they also read authoritative articles on allied subjects on adjacent pages.

Even the best fiction in the world can't compete with an article on "The Care and Feeding of Husbands" when it comes to bringing in the coupons and dimes for a sample of Skowhegan waffle syrup, Sam's jam or Colonial nippy cheese. Nothing so readily secures the food advertiser's preliminary interest as the publication of a first-rate cook book and monthly pages devoted to a good food section.

Consequently, in weighing essential characteristics of media suited to the product, first consideration in the chart (reproduced with this article) has been given to editorial cooperation. Under this heading, (column 2) 25 points out of 100 have been apportioned as follows: 15 for specific appeals on food; 5 for publication of a cook book and maintenance of a testing kitchen; 5 for prestige of personnel of this department; 5 for reputation for original research on recipes,

diet, nutrition, etc. The second 5 points are awarded for similar work in departments of interest to women, such as care and rearing of children, home furnishing and decoration, fashions and style news, beauty hints, etc. The third 5 points are calculated upon editorial appeal represented by fiction, special articles with feminine appeal on educational, theatrical, social, and horticultural matters.

Please note that each of the above point totals represents the *maximum* that can be allotted to any one magazine. None analyzed has been given a perfect rating. The highest total of points (19) on editorial cooperation was given to Magazine No. 6 because it has done pioneer work in every department of food research and employed the best-known specialists in pure food work. Besides this, it leads in practically every sphere of feminine interests. Magazine No. 7, while it is the last in order of total circulation, is second in editorial cooperation with

are massed in the same cities. Every manufacturer should check up regularly to find out where the bulk of his business is being done. It is just as foolhardy to scatter effort after distribution as it is to advertise nationally before distribution has been obtained. The best magazine, other factors being given due weight, is the one offering the manufacturer concentrated circulation in trading centers and cities where he is now successfully building up a profitable total. Ten of the 15 points under column 3, "Where is it bought?" have been given to these factors: "Circulation in trading centers" and "Circulation where present business is best."

In column 4 the "Cost of a 1000 of unduplicated circulation" is considered. The 15 points have been divided into 5 for "useful circulation," 5 for "page cost—a 1000—black and white" and 5 points for "page cost—a 1000—in colors." In case color pages are out of the question, this computation

type of readers, or any magazine which for one reason or another is considered essentially the most desirable. One of the best studies on duplication of magazine circulation is that fostered by the Association of National Advertisers.

Somewhat allied with editorial cooperation and policies (column 2) is the question of reader interest (column 5) as manifested by how the magazine is bought. Publications are constantly devising ways of sustaining reader interest. No guide, it seems, can be set down as the last word, but the factors we have taken from A. B. C. statements should form a fairly accurate picture of reader interest based on "Value for my money," which is a stronger buying motive with magazine subscribers than any other we know of. The Audit Bureau of Circulations issues a booklet entitled "Scientific Space Selection" in which five indications of reader interest are outlined: 1. Subscription price and maintenance of uniform price; 2. Were premiums offered as an extra inducement to subscribe?; 3. Did clever salesmanship figure in the sale (e. g. installment and club offers)?; 4. Are subscriptions stopped promptly when they have expired?; 5. Is the publication an official organ of some group and sent as part of the dues?

Reader Confidence

Each of the above has been considered in the seven columns of the chart, under the heading "How is it bought?" excepting indication 4. This policy of allowing subscribers to run along in arrears has been abandoned by practically all magazines of large circulation. One of the magazines only out of the seven listed would have to be penalized for this practice.

Consideration of editorial policies, reader interest and reader confidence eventually merge. But as advertisers, we are vitally interested in any additional signs that the readers believe in the magazine and in the information it offers. Service bureaus and the degree to which they are called upon for booklets and helpful suggestions also furnish us with further proofs of reader interest. This actually constitutes an item to be considered, however, under the head of editorial cooperation, especially if such a service bureau lists a pamphlet identified with your product and its uses.

In compiling the data for column 6 of the Media Adaptability Chart, let us be thankful that at last we can give the omnipotent rep. something to do between calls. In fact, this master chart is designed to be a method of assimilating the information cheerfully and generously volunteered just when

The plan for media selection outlined here is not one endorsed by Sales Management, but it is presented as a matter of interest to advertisers because it is a method that has actually been employed by one big concern in rating magazines. Criticism of this plan by executive subscribers is invited; so also are outlines of other methods which space buyers have found useful and other comments on the subject.

18.5 points. Magazine No. 5 is third with 18 points, etc.

The comparative values of circulation and the cost per thousand of unduplicated circulation have been weighed on the basis of 15 points each in columns 3 and 4. In very few instances is rural circulation of greater or even equal value to the advertiser than urban circulation. The chief reason for this is that advertising cannot be as readily merchandised outside of towns and cities. And advertising that is not followed up by a complete merchandising plan is advertising wasted. Five points have been apportioned to the favorable set-up of this factor in each of the seven periodicals listed.

The most valuable circulation of all is that in trading centers. Here is where major sales efforts are made, and advertising is primarily a sales aid—the advance guard of the merchandising army. More than 75 per cent of the wholesale outlets are in the 322 largest cities in the United States. About 60 per cent of the retail outlets

may be omitted, but since there is a color premium ranging from 27.27 per cent to 64.28 per cent in the seven magazines listed, it is quite necessary to make two calculations if color is part of the campaign.

By "useful circulation" is meant, first of all, unduplicated circulation. Aside from the question as to the extent to which duplication is harmful or beneficial, a medium which covers new consumers in an old market or an almost entirely new market has an added argument in favor of its use. A manufacturer using two or more magazines will probably figure that a certain amount of duplication is good on the generally accepted idea that the cumulative effect of repetition assures maximum results. But he wants to know just how much new circulation he can count on by adding successive periodicals. One requires a starting-point, of course, in computing duplication. This may be the single monthly already being used, the magazine with the largest circulation, the one having the preferred editorial content and

new schedules are being compiled. Two vital points of information in regard to the readers of any magazine are: buying power and influence in the community, and how many mouths are provided for. Incomes of \$2,700 and over have been made the point of departure in the first instance and with a steadily declining birth-rate in prospect, families of three or more as the criterion of usefulness in weighing the other 5 points. Recently compiled figures show that 79 per cent of all United States taxpayers have an average annual income of \$2,692.

Investigations of the quality of a magazine's circulation are becoming more and more a necessary adjunct to selling space. The interview and the questionnaire have been adopted by the *Literary Digest*, *Good Housekeeping*, *Physical Culture*, *True Story*, and more recently by *Liberty* and *Time*, ("Do you own a horse?") to cite a few instances. Of course a great number of reader characteristics may be analyzed in reference to a particular periodical, but the size of the income and the size of the family appear to be the two most essential. Ownership of polo ponies, memberships in golf clubs and first editions may be further looked into for purposes of dynamic association, but they'll be chiefly useful for a snappy introduction to the main subject.

Prestige of Periodical

Next in importance comes the study of the reputation of each periodical on its merchandising possibilities (column 7). Prestige goes deeper than mere externals or physical characteristics. Personal opinions are frequently allowed to dictate the decision. We recall one instance where a more careful consideration of the magazine's attitude on the wet and dry issue would have saved the agency much embarrassment. We have, therefore, excluded from the factors to be weighed physical characteristics such as make-up, art work and general appearance, as well as everything related to reputation, except dealer influence. Special credit points for extending editorial matter of a leading nature right through the make-up of the whole issue, illustration of food dishes pertaining to our products, etc., have been reserved for column 9. But dealer influence is a quality which may be got at and measured. A publisher's responsibility, prestige and general standing with the trade is quite tangible, especially if he institutes a bureau with field forces to follow through on good work initiated in the editorial pages. One woman's monthly now goes so far as to have travel crews who check up retail grocery and

drug outlets to see that advertisers' products are stocked. Window displays are installed and close cooperation with the manufacturers' sales promotion personnel insures additional merchandising of the advertising. Ten points have been set aside in column 7 for "merchandising possibilities"—5 for the periodical's reputation and influence with the trade and 5 for merchandising cooperation in the field.

In considering the "advertising volume" carried (column 8) the question arises whether some consideration is due a magazine for its trend in advertising for the coming year in view of a heartening change in editorial policy and promotional endeavor. Certainly you will be asked by representatives to evaluate this and with some justification. A newcomer sometimes blazes across the advertising sky and by its robust policy causes an older competitor to stand still or decline in volume on a certain type of product. Lists of advertisers who have already contracted for 1931 space will be impressively shown as evidence of this change of pace.

In dividing the 10 points under column 8, we have thought it the best policy to stick to past performance in computing advertising volume. The only item that requires a word of ex-

planation is food concentration, for which we have assigned 4 of the 10 points. Certain papers carry the advertising schedule of practically every food advertiser, for example. Where schedules are extended, other papers are added. But the use of a magazine exclusively is positive indication that it is considered the indispensable medium by other manufacturers and deserves recognition for this fact alone.

Column 9 allots one point for research, one for lack of color cycle and a third for any other special reason. While it pays to be chary of promises made to carry out some research project, such as more exact figures on what constitutes useful circulation in one's particular case or the growing scope of the wagon jobber in distribution, there is no good reason for not giving due weight to outright suggestions along such lines if these offers spring from a study of your problems. The overture in grand opera was meant as a sample of what music is to come.

While we realize that color cycle not necessary penalizes only one periodical in the woman's field, there is no alternative since by no stretch of tabulated results can such a cycle be considered indispensable to the success of an advertising campaign.

How W. & J. Sloane Cut Waste with a Rebuilt Sales Plan

Conclusion to an article

BY F. A. PLATTE *

Firm Member, Anderson, Davis & Hyde, New York City

The sales expectancy has been set at \$179,000, whereas the total market in this territory is over one million. In other words, \$179,000 is not the maximum.

There are innumerable methods of recording sales. We felt it would be advantageous to the distributor to use a record not too elaborate. In our plan a card is prepared for every customer. On it is recorded every month the total sales in dollars broken down by mills. The cost of this merchandise and the difference constituting the gross profit are also recorded.

The reason for listing this each month is to have a correct picture of the trend of each distributor's business, as well as a basis for comparison. It is no longer satisfactory to wait

until the close of a season, for retailers, too, are learning to keep a smaller inventory; therefore they no longer make two purchases a year. Another advantage is the service a distributor can give dealers in correcting purchases by seasons.

Sales are listed by mills because one of the advantages of the Sloane plan is to get retailers to concentrate with one distributor. A customer's record card containing this information will quickly reveal whether salesmen are selling the plan properly or devoting themselves to a smaller portion of the line. Obviously, the higher-priced merchandise sold increases the gross-profit margin.

Cost is listed to give a quick picture of the gross-profit margin. The salesman who places too much emphasis on larger purchasers, on the 300-rug basis, and neglects the small retailer

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*From an address delivered before The Taylor Society. Part I appeared in SALES MANAGEMENT for December 6; Part II, December 13.

Intensive Follow-through Cashed this Whiting & Davis Campaign

BY F. N. HOLLINGSWORTH

AN advertising and sales promotion campaign that ties up consumer, retailer, wholesaler and manufacturer through direct appeal to the consumer to send replies direct to the manufacturer, now being conducted by the Whiting & Davis Company of Plainville, Massachusetts, manufacturers of mesh costume bags, has fairly swamped that company with replies, and resulted in a large amount of new business for the retailers, wholesalers and manufacturers alike. Hundreds of new customers have been secured by the retailers, the wholesalers have handled all this business and the manufacturers are so well pleased that their appropriation has been increased to cover the same list of publications throughout next year, with a special copy for the Easter trade, in May for wedding gifts and the balance of the year until next fall, for anniversary gifts, of the Whiting & Davis mesh costume bags.

No Two Ads the Same

This campaign is being conducted in *Ladies Home Journal*, *True Story*, *Liberty*, *Vogue*, *Life*, *Town and Country* and *Photoplay Magazine*. No two advertisements are alike, distinctive copy having been planned for each magazine and each advertisement. Additional copy has already been placed by the Kenyon Company of Boston, who are handling the campaign, in rotogravure sections of leading newspapers of the country.

The basis of the campaign was selling the mesh bag idea to women and showing them how they might secure one without necessarily buying one personally. Original advertisements were for the Christmas trade, addressed to the women readers, although it was assumed that a percentage of the men would also read them, casually, at least. For example, the advertisement in *Life* read:

"Pity mere Man at Christmas. Help him select the gift you really want. Use the coupon. . . . Picture him, a mere solitary male, struggling in the rush and crush of Christmas shoppers! Dazed and dumb amid panoramic displays of perfumes, powders, hosiery and jewelry! Pity rather than censure him, if the gift he brings is *undesired*."

"This year there is a new way to help 'him' select the gift *you* want—the Whiting & Davis 'Save-a-Man' campaign. Fill in the coupon below



VERY likely—if "he" is the average, busy man who dislikes shopping at all times, and doubly at Christmas.

There is a way, however, no matter who *buys* your gift to get exactly the one you prefer. It is the Whiting & Davis "Save-A-Man Campaign."

Write on the coupon below the name and address of the man from whom you would like to receive a Whiting & Davis Mesh Costume Bag, and mail it to the Whiting & Davis Company. At an appropriate date—and *without disclosing your name*—a communication will go to him suggesting the gift desirability of a Whiting & Davis Mesh Costume Bag.

He will grasp at the welcome suggestion—and receive a gift you will prize

One of the advertisements—this one from Liberty—which has had such a stimulating effect on Whiting & Davis sales this fall

with the name and address of the man from whom you wish to receive a Whiting & Davis Mesh Costume Bag. . . . At an appropriate later date, and *without mentioning your identity*, he will receive a message hinting of the desirability of such a gift. Welcome timely suggestion! He will act upon it—and you will receive the gift you prize. . . . Fill in and mail the coupon now. It is the first step toward a happy Christmas."

Milady mails the coupon and in due time the gentleman whose address is given receives by mail a handsome colored brochure showing the designs of some twenty-four beautiful costume bags at various prices, together with

the following letter addressed to him personally, signed by Mr. Whiting:

"I am enclosing with our compliments a beautiful brochure in colors showing the very latest creations in Whiting & Davis mesh costume bags now being shown in your city at (name of local store).

"May I suggest that you select one or more that are in the price range you may wish to pay and use them as preferred Christmas gifts to your feminine friends or relatives?

"You know that they have longed for a lovely Whiting & Davis Mesh Costume Bag. Here is your chance to give them, this Christmas, what they really want and at the same time save yourself from the usual 'What shall I give' quandary that most of us face at Christmas time when we try to select appropriate gifts for the women folk that we wish to remember.

"If there is any further service I may render you, please call on me, but I am sure (name of dealer) will extend to you every courtesy necessary, in fulfilling your wishes, and saving you the embarrassment of shopping for feminine gift articles this holiday season."

Names Sent to Retailers

As soon as the coupons began coming in, fairly swamping the Whiting & Davis office staff, lists of names were forwarded to the retailers located nearest to the persons named. Some careful discrimination was required to give each dealer his fair share of the prospects and to see that the prospects received the address of the nearest dealer. A list of some 11,500 dealers stocking Whiting & Davis bags, built up in some fifteen or twenty years of advertising, was the basis.

At the same time the Mr. Consumer letter went out, another was sent to the retailer best located to serve the prospect:

"We have sent one of our de luxe brochures in color showing the season's newest in Whiting & Davis Mesh Costume Bags to (name and address of consumer prospect) with the suggestion that he select one or more from your stock as Christmas gifts.

"We are quite sure that if you take
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Holiday Buying Brisk in Most Cities, Savings Withdrawals Show

BY LAWRENCE M. HUGHES

"BUSINESS as Usual" says the placard which a rather prominent sales executive known as Santa Claus has hung over the door of his North Pole shop. Nor is it necessary to go there to prove it. Many stores are doing better than some serious economists would like.

It is true that purchases this year will be primarily in lower-priced products, but it is also true that prices of nearly all products are lower. It may even be true that some people have held off buying even necessities for so long that they are now being forced to open their purses a little in spite of themselves, and have chosen Christmas as the reason.

Retailers Feeling Effect

In any event, shopping has come back into at least temporary vogue, and America's millions of market-places have come definitely back to life again. Although the executives of manufacturing and wholesaling concerns who read this magazine have already finished their Christmas season, the reports which retailers publish in the next few days will be interesting. Perhaps the most of them will show a change for the better in the public's frame of mind.

With these reports not yet complete, and the busiest days of Christmas buying still ahead, SALES MANAGEMENT has endeavored to check the trend in a different way. Executives of prominent savings banks throughout the country were asked to report on the extent of withdrawals in their organizations and communities in the last week of November and the first week of December—the period when people presumably were assembling their Christmas funds preparatory to spending them.

Replies thus far received cover cities as scattered as New Orleans, Seattle and Boston, and include Chicago, St. Louis, Pittsburgh, Minneapolis and Philadelphia. For the most part, withdrawals in each locality were heavier this year—ranging from 2 per cent in Pittsburgh to 32 per cent in Chicago.

St. Louis is a notable exception. With withdrawals from savings banks there in the two week period averaging only 20 per cent of last year, the public is reported to be proceeding "more slowly and cautiously in Christ-

mas shopping. These two weeks," reports H. H. Reinhard, vice-president in charge of savings of the Mercantile-Commerce Bank & Trust Company, "cover the posting of interest on December 1, a time when many individuals either close out their accounts or cut them down materially." This, Mr. Reinhard believes, indicates that the public have adopted a policy of "watchful waiting" and refuses to become engaged in an "orgy of spending such as we have experienced in recent years."

In contrast, a "decided increase" in the number of withdrawals, amounting to approximately 32 per cent, "has been made at the First Union Trust & Savings Bank of Chicago," says Arlan W. Converse, vice-president and cashier, and this condition, Mr. Converse believes, is fairly typical of the more than 200 banks there which accept savings deposits. On the other hand, he adds that the "amount of money withdrawn from these accounts is only about 1 per cent larger. A very considerable part of the funds accumulated in our Christmas Savings Club, however, was withdrawn" before the beginning of the two-week period.

Christmas Payments Larger

Dana S. Sylvester, executive manager of the Savings Banks Association of Massachusetts, an organization of 196 banks with headquarters in Boston, points out that "Christmas Savings Club payments in that vicinity are greater this year." On the other hand, "checks are not being cashed so rapidly as in previous years. This means that the recipient evidently is not spending his money immediately upon receipt of the check."

The report of Fred W. Ellsworth, vice-president of the Hibernia Bank & Trust Company, New Orleans, shows that "withdrawals from our savings accounts were 30 per cent in excess of the amounts withdrawn in the same period last year." These withdrawals were only slightly offset by an increase of .0106 in deposits as compared with an increase of .0176 in the same period of 1929. As to the effect of Christmas buying on our sav-

ings deposits, the popularity of our Christmas Club has a decided tendency to reduce withdrawals from our regular savings accounts, as our Christmas Club accounts naturally are kept in a separate ledger and are not included in the figures of our permanent savings accounts," Mr. Ellsworth says. "In this connection, you will be interested to know that the clearing house banks of New Orleans distributed this year a total of \$2,836,000 to 87,000 Christmas Club members."

"Due to the present condition," writes T. A. Gallagher, Bank of America, San Francisco, "it is very difficult to say whether withdrawals are intended for Christmas buying or for meeting extraordinary expenses due to unemployment and such conditions. In the past few weeks we have issued something like \$6,500,000 in Christmas checks, but we believe that a larger percentage of this fund will go into different buying channels than in years past.

"The Christmas Club distribution of other banks in the city was around \$1,000,000."

Less in Philadelphia

In the Philadelphia mutual savings banks, withdrawals were less, writes S. B. Lloyd, vice-president of the Philadelphia Saving Fund Society. They totaled \$5,763,000 in the two-week period of 1930 as compared with \$5,831,000 in 1929, a difference of \$68,000. In Mr. Lloyd's own organization, however, there was an increase of \$52,000 this year; and in another important Pennsylvania bank, the People's-Pittsburgh Trust Company, Pittsburgh, A. C. Robinson, president, reports an increase of 2 per cent.

Withdrawals from the Farmers & Mechanics Savings Bank, Minneapolis, in the first ten days of December were about 5 per cent more than a year ago, says Henry S. Kingman, secretary, but the "trend" for the two years, Mr. Kingman believes, will prove "about the same" as last year. Retail trade in that locality will prove about normal this season.

A similar situation is found by Jay Morrison, vice-president, Washington Mutual Savings Bank, in Seattle.

Independent Grocers'
Alliance of America
presents—



An All-Star Performance

When the Independent Grocers' Alliance of America decided to give their members a clear picture of the roles played by merchandising leaders in their stores, they engaged expert service to help them present their ideas.

Under Independent Grocers' Alliance supervision, the right motion picture for the purpose was planned and produced on schedule.

The completed picture was shown to thousands of independent grocers at a series of conventions covering the country.

Motion pictures of the right kind offer the clearest, quickest way to make effective impressions that carry conviction and supply proof. Jam Handy Picture Service is organized to produce pictures that show products and how to sell them.

Fifteen years of successful experience has developed a skilled staff of over a hundred and fifty persons highly specialized in making industrial motion pictures and lighted still pictures for sales education and service instruction.

On the technical side, Jam Handy Picture Service has the largest studios and laboratories in the world devoted exclusively to the production of commercial pictures and is producing on a scale that gives you the benefit of big volume economies.

Every picture that we have ever made has helped to accomplish the buyer's purpose.

Jam Handy Picture Service

Jamison Handy, President

6227 Broadway, Chicago

NEW YORK, CHANIN BLDG. — DAYTON, REIBOLD BLDG. — CLEVELAND, HANNA BLDG. — DETROIT, GENERAL MOTORS BLDG. REGIONAL SERVICE REPRESENTATIVES AT PRINCIPAL POINTS THROUGHOUT THE UNITED STATES. STILL AND MOTION PICTURES — PROJECTORS — ANIMATED DRAWINGS — SOUND PICTURES — SLIDEFILMS

Chicago Distribution Census Report Nearly Ready for Marketing Men

A PRELIMINARY report of the census of distribution of Chicago is about to be issued by the Bureau of the Census. With greater detail, it will be similar to the published preliminary reports on El Paso, Syracuse, Pueblo and Trenton, with additional figures showing the increase in the number of establishments and volume of business since the experimental census of eleven cities, including Chicago, of three years ago. As the reports are published later, comparative figures will also be given for the other ten cities.

Last week the bureau was also preparing to issue releases on preliminary reports of several cities in the northwest. Starting systematically with the Pacific Coast cities, the intention is to issue releases as rapidly as compilations can be made. Reports on California cities will follow and should be released in a few weeks.

From West to East

In his office at the bureau last week, Dr. R. J. McFall, in charge of the distribution census, explained that his organization started with the Pacific Coast because the situation there is somewhat less complicated by the development of chain systems and other multiple unit distribution agencies. A double job is required by chain organizations because they are first analyzed as complete units and then broken down to their various outlets. A complete record is being made of all vertical organizations in distribution.

"The preliminary reports of the larger cities," Dr. McFall continued, "will be similar to the Chicago report; but on the small cities they will present fewer details. It is our plan to move eastward as rapidly as we can, covering all cities with preliminary reports. While this is being accomplished special groups of our organization will revise the reports for our final, corrected compilations, and compile reports on wholesale establishments and rural distribution. However, the cities will come first, because there is more interest in them.

"These preliminary compilations will show the amount of business, number of employees, salaries and wages, inventories of retail stores differentiated by kinds of business, also types of establishments, contrasting the independent with the chain and other

types of multiple unit organizations. We are not working out ratios; but our compilations will show the wage bill for each \$1,000 of volume sold, inventories in relation to sales, the number of establishments in each class, and the relative proportion of the total retail trade in each class of business.

THROUGH an arrangement with Dr. R. J. McFall, in charge of the distribution census, SALES MANAGEMENT readers may obtain reports mentioned in this article as soon as they are released by writing to Sales Management, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

"From time to time we shall release reports giving additional information, such as the amount of business conducted by stores of different sizes, expense and employment data, credit sales, and data showing the distribution of important commodities and other sales data. However, it is our plan to release the most important facts first.

"So much valuable information can be gained from the figures enumerated that it will require some time for its compilation. But within three or four months there should be an enormous body of material available for business analysts in all fields of retail distribution.

"The wholesale reports being compiled will present the significant facts of exclusively wholesale establishments, also of all those dealers which perform wholesale functions. We consider the chains as being in both the wholesale and retail fields. In a generalized sense, chain warehouses are being treated as doing business on the wholesale plane of merchandising, but not as wholesale establishments. Also, we shall probably make compilations on the business of all types of dealers

on the wholesale plane of merchandising, including brokers, commission agents and others.

"Our first effort, however, will be to cover cities of the entire country with preliminary reports. These are being released to the press and sent to those business concerns which have requested them. As rapidly as possible, we will correct and elaborate these first reports. Then, as soon as all compilations for the states are corrected and verified, they will be made up into complete state bulletins; but at this time I cannot state when the reports in bulletin form will be issued."

As Dr. McFall also pointed out, it is impossible to forecast accurately the time required for the various compilations because the Bureau of the Census has had no experience in a nation-wide census in this field. Unavoidable delays have occurred because of the inability of some groups to furnish the bureau with their figures promptly. For instance, the preliminary report on Syracuse states that some of the central office returns from chain organizations are incomplete, and that the wholesale figures of some retailers who do a wholesale business had not been completely reported. Difficulty and delay have also been experienced in procuring data relating to part-time employment and other details of distribution.

Typical Report

However, the report on Syracuse is fairly typical of the preliminary reports in general. It gives the number of stores, number of full-time employees, net sales (1929), percentage of total sales, inventory at cost and total salaries and wages in eleven groups of retail establishments—automotive, food stores, general merchandise, apparel, furniture and household appliances, eating places, coal, wood and ice, lumber and building materials, drug stores, jewelry and all other stores. Each of these groups is broken down and the figures are given for each definite type of store under the classification.

No service business, such as laundries and barber shops, is included; but service is covered when a part of distribution business. It is also covered for the automobile trades, with the exception of storage garages.

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FORWARD MARCH"

tize the desire to resume our advance will form a banner around which all may rally our best efforts.

"1931 AMERICA — FORWARD MARCH"

We offer this phrase to Business America without credit lines, to its business publications, its business associations, and the press in the belief that confidence will be stimulated; and, that direction will be given to a decisive step into the coming year's activities.

Our own publications are aggressively sponsoring constructive programs based upon an appraisal of the immediate needs of the industries which these publications serve. We propose to give direction and stimulus in these fields, and carry this campaign through our business publications to over 250,000 leading industrial and merchandising establishments, and through our consumer publications to over 1,000,000 American homes.

"1931 AMERICA — FORWARD MARCH"

Publishers, Inc.

NEW YORK, N. Y.

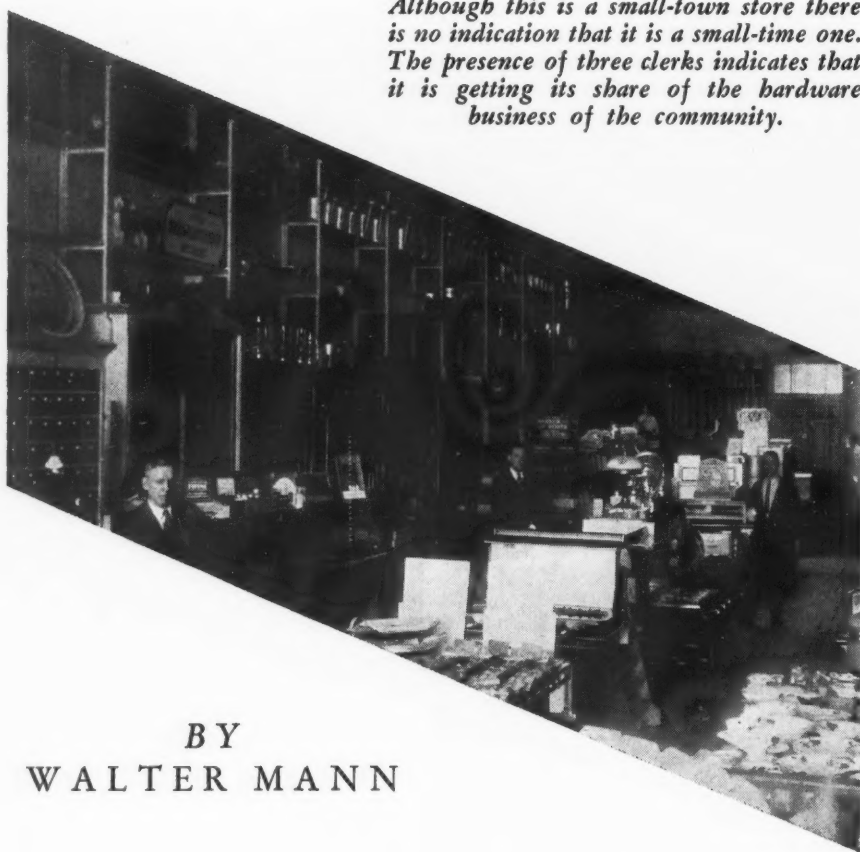
NESS PUBLISHERS, INC., are sponsoring this campaign:

THE JEWELERS' CIRCULAR
SANITARY AND HEATING AGE
HART MAGAZINES
NUGENTS
HOSIERY AGE

THE OPTICAL JOURNAL
THE SPECTATOR
TOY WORLD
ECONOMIST RETAIL SERVICES



Although this is a small-town store there is no indication that it is a small-time one. The presence of three clerks indicates that it is getting its share of the hardware business of the community.



BY
WALTER MANN

Tracing Your Wholesale Trade

Leading Small Town Hardware Brands

AS will be recalled by referring to the first article in this series, the nineteen hardware jobbers interviewed (doing an estimated total annual volume of \$32,432,000) did 50.7 per cent of their business in small towns, but had an average wholesale volume of only \$577 per store. We are at a loss to account for this small volume as compared with the \$2,971 per store done by grocery jobbers or the \$1,686 done by drug jobbers—unless it might be that the wholesale business is divided up among a larger number of jobbers as compared with the number of retailers to be served, or possibly hardware business is spread among other types of articles such as general stores, garages, etc.

It will also be recalled that fifteen out of twenty-six jobbers said that the small town hardware dealer is as good a merchant (or better) than the big city hardware man. While this showing is not as good as that of the gro-

This is the fourth of a series of articles based on a study of wholesale trade in four primary lines: grocery, drug, hardware and dry goods. The study was carried out to determine what volume and percentage of business was done in small towns, and what status the sales of nationally advertised lines, versus sectional brands, enjoy in those markets.*

ery or drug dealer on this score, it is none the less an excellent showing.

The surprise in the earlier figures shown lay in the comparison of the small town and the big city hardware dealer on volume. Here conditions were distinctly reversed. Over ten out of twenty-five responders said that the small town dealer compared favorably while fifteen did not. There seem to be two or three possible explanations of these figures: (1) that small town people do not buy as much hardware as big city people (which we feel is a fallacy, somehow) or (2) that small towners buy their hardware in the big

cities—or (3) as previously suggested—through some type of outlet other than hardware stores.

The standing of nationally advertised hardware products is extremely high. Eleven of the fifteen lines on which the jobbers were questioned were dominated by nationally advertised products. Only four succumbed to the private or sectional brand.

Silverware

In the distribution of silverware by these jobbers, nationally advertised brands appear to have almost a "clean sweep."

Brand	No. Times Mentioned	Rating
Nationally Advertised . . .	21	56½
Private or sectional	1	1½

This preference seems in the main to be limited to three brands, with a marked leadership on the part of Oneida.

Brand	No. Times Mentioned	Rating
Oneida	12	33½
Rogers, 1847	3	7
William Rogers	2	5
Rogers Bros.	2	5
International	1	3

Wallace was a poor third with 3 points.

Kitchen Utensils

Nationally advertised brands have little

advantage over private brands in kitchen utensils, their total scores being practically a tie.

Brand	No. Times Mentioned	Rating
Nationally advertised	8	23
Private or sectional	8	20

The two nationally advertised brands take the lead by a good margin, however.

Brand	No. Times Mentioned	Rating
Universal	4	12
Remington	4	11

No one classification in the private or sectional group scored more than three points.

Cooking Utensils

Taking the lead in cooking utensils with

*This study was made by Walter Mann & Staff and sponsored by *Household Magazine*.



When you hear sound by RCA Photophone in your favorite theatre

... you have witnessed the highest development of sound pictures and the solution of another distribution problem by Bush Terminal

THE problem: RCA Photophone Sound Reproducing Equipment had to be shipped to twenty sales offices covering the entire country as required, without delay, without wasteful handling, without excessive re-shipping costs and without too many re-shipping operations. The delicate mechanism and large bulk of the units made it imperative for RCA Photophone to keep re-shipping operations in the hands of their own technically trained men. How then could re-shipments be made conveniently? How could a large stock of units be held in readiness near transportation terminals?

The answer: Bush Terminal, ideally located for convenient, quick and inexpensive handling of incoming and outgoing shipments to and from *everywhere*, has the facilities for receiving, holding and shipping. RCA Photophone provides the technical man-power.

The result: Speedy shipments, quickly consummated sales, no costly delays, the minimum of handling, the maximum of safety, and the lowest possible distribution cost. A large stock of units at the very doorstep of the New York market—the largest single sales area in the country.

Similar Bush Service is used by:

United Cigar Stores, A. & P. Stores, W. T. Grant Stores and Del Monte Coffee

Many manufacturers have their plants at Bush Terminal. Bush Terminal provides "industrial apartment houses" for manufacturers. Here are almost limitless facilities which can be used when, if, and as they are needed. Eight enormous ocean steamship piers, miles of railway sidings, by, through or under massive warehouses and manufacturing units; 10,000,000 square feet of floor space; cold storage; power, steam and heat in any quantity. Bush Terminal offers amazing economies in distribution and manufacturing.

Bush industrial survey is without cost. Let us send our industrial engineers to survey your operations. They may find a handicap in plant location, high insurance, excessive receiving and delivery costs, unnecessary maintenance expense, high cost of power, non-productive space in plant layout, high rent or other vital factors. This survey entails neither cost nor obligation.

BUSH TERMINAL COMPANY

Metropolitan facilities for DISTRIBUTION, WAREHOUSING AND MANUFACTURING

Executive Offices: 100 Broad Street, Dept. G, New York

Piers, Sidings, Warehouses, Truck Depot and Manufacturing Lofts on New York Bay

FOREIGN DISTRIBUTION—BUSH SERVICE CORPORATION

more than twice the score of nationally advertised brands, private and sectional brands make a much better showing with these hardware jobbers.

Brand	No. Times Mentioned	Rating
Private and sectional	18	42½
Nationally advertised	9	19½

Although two nationally advertised brands registered the highest scores, the private brands were close behind.

Brand	No. Times Mentioned	Rating
Federal Enamel	3	6¾
Viko Aluminum	3	6¾

Cream City, 6; Columbian Enamelware, 6; and National, 6, are the sectional brands; Nesco 5, was next.

It appears, therefore, with this commodity that individual nationally advertised brands stand out little better than private or sectional brands.

Outdoor Paint

Nationally advertised brands resume the lead by a fair margin in outdoor paint.

Brand	No. Times Mentioned	Rating
Nationally advertised	13	33½
Private or sectional	10	25½

Of the nine brands named in the former group, however, the preference seems to be limited to two brands.

Brand	No. Times Mentioned	Rating
Du Pont	3	7
Acme	2	6

Standard Varnish, McDougall Butler, Certained, Lowe Brothers, Valentine and Masury's, with three points each scored the same individually as each of the first seven of ten private brands.

Indoor Paints

In indoor paints, there appears to be the same modest degree of preference for nationally advertised brands among these dealers as in the case of outdoor paints.

Brand	No. Times Mentioned	Rating
Nationally advertised	13	33½
Private or sectional	10	25½

Individually, also, there appears to be little difference in relative standing.

Brand	No. Times Mentioned	Rating
Du Pont	3	7
Acme	2	6
Standard	2	6

With the exception of McDougall Butler, who failed to score, the other brands mentioned were the same as in the case of outdoor paints, with the same amounts.

Kerosene Stoves

As might be expected, in kerosene stoves nationally advertised products surpass private or sectional brands by a very great margin.

Brand	No. Times Mentioned	Rating
Nationally advertised	20	54
Private or sectional	3	8

This preference appears to be largely for one brand, however, i.e. Nesco.

Brand	No. Times Mentioned	Rating
Nesco	12	34
Perfection	3	7
Kerogas	3	7

Florence, 6, followed next. The only sectional brand mentioned was Anchor, 5.

Gasoline Stoves

The preference for nationally advertised brands in the case of gasoline stoves appears to be complete, no private brands being mentioned.

Five brands were mentioned in the following order: (Note how Coleman stands out.)

Brand	No. Times Mentioned	Rating
Coleman	7	21
Nesco	3	9

Kitchen Kook, 7; Linden & Hooverson, 7; Queen, 3. Total number of mentions 16. Total score 47.

Outdoor Metalware

Private or sectional brands surpass nationally advertised brands for the second time with these hardware dealers in the case of outdoor metalware.

Brand	No. Times Mentioned	Rating
Private or sectional	15	37
Nationally advertised	7	19

Although Nesco takes first place, private or sectional brands follow in the next three positions.

Brand	No. Times Mentioned	Rating
Nesco	4	11
Reeves	3	7½

Cream City, 7; Atlantic, 5. Moreover, none of the other nationally advertised brands—Witt Cornice, 3; Wheeling, 3; American Can, 2—did relatively better than private brands.

Furniture Polish

Nationally advertised brands resume the lead by a decided margin, however, in the case of furniture polish.

Brand	No. Times Mentioned	Rating
Nationally advertised	22	62
Private or sectional	4	9

Of the three brands named in the former group, two stand out.

Brand	No. Times Mentioned	Rating
O-Cedar	16	48
Liquid Veneer	5	11

Whiz, 3, did not do relatively better than the private labels.

Washing Machines

Although not leading, private or sectional brands again make an exceptionally good showing in washing machines.

Brand	No. Times Mentioned	Rating
Nationally advertised	8	22
Private or sectional	6	18

With respect to individual makes, the relative standing of private or sectional brands is even more favorable.

Brand	No. Times Mentioned	Rating
Bee Vac	3	8
Horton	2	6

Universal, 3; American Beauty, 3; Premier, 3, and Savage, 2, did no better than Flash, 3; Hoag, 3; Decker, 3; Voss, 3. Except for Nesco, therefore, it is apparent that nationally advertised brands enjoy no better prestige with these dealers than private or sectional brands.

Tools

Nationally advertised brands hold the leadership by a larger margin in tools.

Brand	No. Times Mentioned	Rating
Nationally advertised	18	36
Private or sectional	9	17

They also occupy the first two positions in the relative standing of individual brands.

Brand	No. Times Mentioned	Rating
Stanley	6	14
Plumb	2	6

Of the nine others named in this class, however, none stand relatively better than the eight sectional brands mentioned. Among the former are: American Fork & Hoe 3; Starrett 3; Black & Decker, 3; Little Giant, 2; Millers Falls, 2, etc.

Electric Table Appliances

In electric table appliances nationally advertised brands appear to be well in command.

Brand	No. Times Mentioned	Rating
Nationally advertised	20	52
Private or sectional	4	10

Their leadership is further evidenced by the line-up of individual preferences.

Brand	No. Times Mentioned	Rating
Universal	6	16
Landers, Frary & Clark	4	12
Hot Point	4	12

Dover captured fourth place with Manning Bowman, 5, and Westinghouse, 4, next in order.

Vacuum Cleaners

Nationally advertised brands appear to have a complete command of the field in the instance of vacuum cleaners, as no private or sectional brands were mentioned. In all, eight brands were mentioned twenty-two times with a total score of fifty-six. Their relative order follows:

Brand	No. Times Mentioned	Rating
Universal	7	16
Hamilton Beach	5	13

Bee Vac, 8; Landers, Frary & Clark, 6; Westinghouse, 5; Graybar, 3; Super Royal, 3; Royal Princess, 2.

Refrigerators

For the third time among these hardware jobbers private or sectional brands score more than nationally advertised brands—in refrigerators.

Brand	No. Times Mentioned	Rating
Private or sectional	7	20
Nationally advertised	6	18

In individual preferences also, the former surpass the latter:

Brand	No. Times Mentioned	Rating
Gurney	2	6
Sanitary	2	6

(Continued on page 482)

Aviation Soars Above Depression; Carriers Lead Manufacturers

BY R. R. DOANE

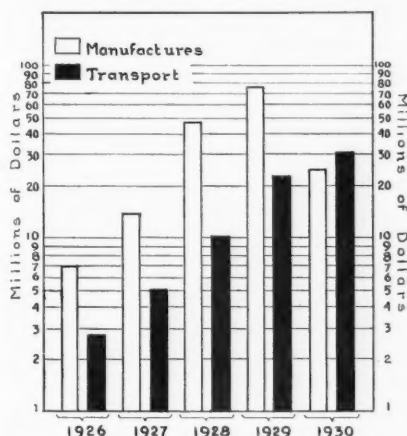
Records of continued expansion in business among entire industries have proved so rare in 1930 that the impressive gains made in air transportation are thrown into sharp relief. This year was the best in the history of this newest utility; not only has the amount of air mail been increased but express and passenger traffic have grown consistently, month by month, throughout the year.

The most significant development in aviation this year has been the ability of transportation, for the first time, to pass manufacturing, which fell off materially as the largest factor in the industry. The larger carriers will do about \$31,320,000 of business as compared with \$23,648,000 in 1929 and \$10,349,000 in 1928. An interesting phase of this development is the fact that a relatively larger share of the transport volume is now coming from express and passengers. This income is now nearly as large as that derived from mail. In 1928, the percentage of income of these lines from mail contracts was 61.2 per cent. Last year it fell to 58.7 per cent and this year to 51.8. The express and passenger business, on the other hand, rose from 38.8 per cent in 1928 to 48.2 per cent this year.

Government "subsidies" today do not play such an important part in air transportation. Contrary to popular belief, enactment of the Watres Bill has not added to the income of the air mail carriers, but upon the majority of lines in which it has been put into effect has actually reduced payments. The effect of these reductions, even in the face of continued increases in air mail poundage, has been conspicuous in the cases of Western Air Express, the Boeing and Pacific Lines of the United Aircraft & Transport Corporation, as well as those of the Aviation Corporation, of Delaware. Regardless of this rate reduction the industry has continued to improve its income. The significance here lies in the fact that the lower rate is paid to the contractor by the Government and is not passed on to the public in reduction of air mail postage.

Regarding the percentage division of the total air mail carried by the major companies, United Aircraft & Transport, since its acquisition of National Air Transport and the Varney Air Lines, is at present carrying approximately 60 per cent of the entire do-

mestic volume and receives better than 55 per cent of the total revenues paid by the Government to operators. The bulk of the domestic air mail is carried by United Aircraft Aviation Corporation of Delaware, Eastern Air Transport and Western Air Express.



Air transportation has become \$31,000,000-a-year business with gross income passing the manufacturing branch of the industry for the first time.

Of the total 350,000 passengers carried this year as compared with 173,405 in 1929 Aviation Corporation led with 67,000, T. A. T.-Maddux Air Lines second, with some 55,000, and United Aircraft third, 35,000. Transport planes flew 30,000,000 miles. The average passenger rate per mile has fallen from eleven cents in 1928 to six and a half this year.

White Succeeds Knox as Hearst Manager

T. J. White, vice-president of the Hearst Publications, which controls the magazines published by William Randolph Hearst, has been appointed general manager of the Hearst newspapers, to succeed Colonel Frank Knox, who resigned this week because of a difference of opinion with Mr. Hearst with regard to policies. Mr. White has been with the Hearst enterprises for several years. Colonel Knox was formerly publisher of the Boston Advertiser.

Lockwood Barr, for the last twelve years director of public relations of General Motors Corporation, at New York, has resigned.

Newest American Car, De Vaux Six, to Have \$1,000,000 Debut

Elbert J. Hall, co-designer of the Liberty motor and consultant to General Motors Corporation, and Norman DeVaux, until this week president and general manager of the Durant Motor Company of California, have formed DeVaux-Hall Motors Corporation to build a new car, the DeVaux Six, which will have its premiere at the Chicago automobile show, January 24. The car to be sold at \$525 to \$765, will be manufactured at Grand Rapids, Michigan, and Oakland, California,—production starting January 1.

Advertising will be directed by James Houlihan, Inc., whose facilities in Oakland, San Francisco, Los Angeles, Portland and Seattle will soon be extended with the opening of a new Chicago office. Advertising expenditure for the first year is expected to total \$1,000,000—the campaign breaking next month in automobile trade publications, direct mail to the trade and spot newspaper campaigns in Chicago, Los Angeles and San Francisco to tie in with the shows there.

The national magazine program, Mr. Houlihan informed SALES MANAGEMENT, will start late in February. The appropriation, he said, will be divided roughly, one-fifth for national consumer publications, one-fifth trade publications, and point of sales material; two-fifths newspapers and one-fifth miscellaneous, including spot radio and spot outdoor advertising.

Outdoor Medium Starts Campaign for Farmer

Twenty-six thousand "Farmer's Prosperity" posters, representing in space cost alone more than \$2,200,000, will be shown in 17,000 cities and towns throughout the United States by the Outdoor Advertising Association of America, Leonard Dreyfuss, executive vice-president in charge of education and public information, announced this week.

The movement was started primarily to alleviate the wheat situation and to advocate greater consumption of farm products generally at the suggestion of the Department of Agriculture, through the Grain Stabilization Corporation of the Federal Farm Board, and the keynote of the campaign will be greater national prosperity depends largely on the welfare of the farmer. Headquarters of the outdoor association are at 165 West Wacker Drive, Chicago.

Prince of Wales Urges Closer Market Study for British Firms

Closer study of markets, especially on the part of major executives, and more thorough training of salesmen were urged by one of Great Britain's ablest salesmen, the Prince of Wales, at the annual banquet of the Incorporated Salesmanagers' Association of the United Kingdom at the Guild Hall, London, December 16. The address was broadcast throughout the United States.

Marketing, the Prince said, should be based on the "needs of today rather than the traditions of former years." He admitted that "the position of our export trade is not what it used to be. For several years we have been losing ground. The trouble, as I see it, is that we here at home are sometimes the last to realize these things which are common talk of foreigners and of customers we fail to capture or retain."

He disparaged the tendency to turn to government for aid.

"Until we think less of what the state or any organization can do for us and more of what we can and ought to do for ourselves we cannot get very far."

"What we need to realize is that our best men must not be concerned only or even mainly with production," His Highness continued. "Modern methods of production, modern conditions of competition, inevitably demand modern methods of marketing."

"My brother, the Duke of York, recently drew a parallel between salesmanship and statesmanship. I should like to draw one between salesmanship and sportsmanship." Like the sportsman, he said, the salesman needs "love of adventure, courage, endurance, energy, initiative and perseverance. All these qualifications he needs, and above all the spirit of the game that makes him forget all thought of sudden death, and makes him play the game on the square and unselfishly for the side and not for himself."

"I cannot lay too much stress upon the importance of heads of firms and their export directors constantly studying conditions for themselves on the spot and establishing close personal contacts with customers."

In the intellectual makeup of a salesman His Highness urged, in addition to specialized knowledge, general culture—including knowledge of economic history and geography, of world industrial, commercial and financial conditions and of languages.



Ashton G. Bean

White Motor Appoints A. G. Bean President

Ashton G. Bean has been elected president of the White Motor Company, Cleveland, to succeed Robert W. Woodruff who continues as chairman of the board.

Mr. Bean has been president of the Bishop & Babcock Manufacturing Company, Cleveland; Mr. Woodruff, who is also president of the Coca-Cola Company, Atlanta, has been president of the company since the death of Walter C. White, in September, 1929.

\$500,000 Fund May Boost British Industries Fair

A minimum grant of \$500,000 a year for publicity for the annual British Industries Fair has been recommended by a committee appointed by the British Board of Trade, under the chairmanship of Viscount Chelmsford. The present grant of \$125,000 has been regarded as inadequate. After provision for printing of showcards, pamphlets, etc., the issues of letters to buyers throughout the world, announcements in the home press and other necessary expenditures at home, the residue available for special local propaganda throughout the whole British Empire is now \$29,250 and for the United States only \$2,500. No provision was considered possible for China and Japan.

Acquisition of a site near London for the establishment of permanent fair buildings capable of expansion has also been advocated.

The Carnation Company, milk, Seattle, has established a home economics department, to advise housewives primarily on recipes.

\$500,000 in Advertising Routs the Depression at Hotel New Yorker

If every American advertiser would consider the depression merely as a new form of competition for his markets and meet it with a 25 per cent increase in advertising, business would make a "startling recovery," Ralph Hitz, managing director of the Hotel New Yorker, told the Missouri-Kansas-Oklahoma Hotel Association at Kansas City this week.

By the end of its first year, January 1, Mr. Hitz said, the New Yorker will have spent nearly \$500,000 in advertising, the "largest advertising appropriation ever made for a single hotel." About \$100,000 of this amount was specially appropriated to meet competition from the "most successful advertiser in this country today—Business Depression. In something like twelve months this 'unknown' has been so successfully 'sold' to you and to me and to the rest of the American public that it is on the tongues of all of us," he pointed out. "It is as well known today as the Ford car, Ivory soap, Campbell's soup or Wrigley's chewing gum."

The New Yorker Hotel will have spent \$225,000 on newspaper advertising in fifty-five cities, and \$125,000 in magazine advertising by the end of its first year. In less than ten months registrations had exceeded the half-million mark and the first year total is expected to approach 750,000.

Trade Commission Curbs Royal Baking Powder

Royal Baking Powder Company, division of Standard Brands, Inc., New York, has been enjoined by the Federal Trade Commission from "publishing disparaging statements anonymously concerning its competitors' baking powders." The company has elected not to defend the charges.

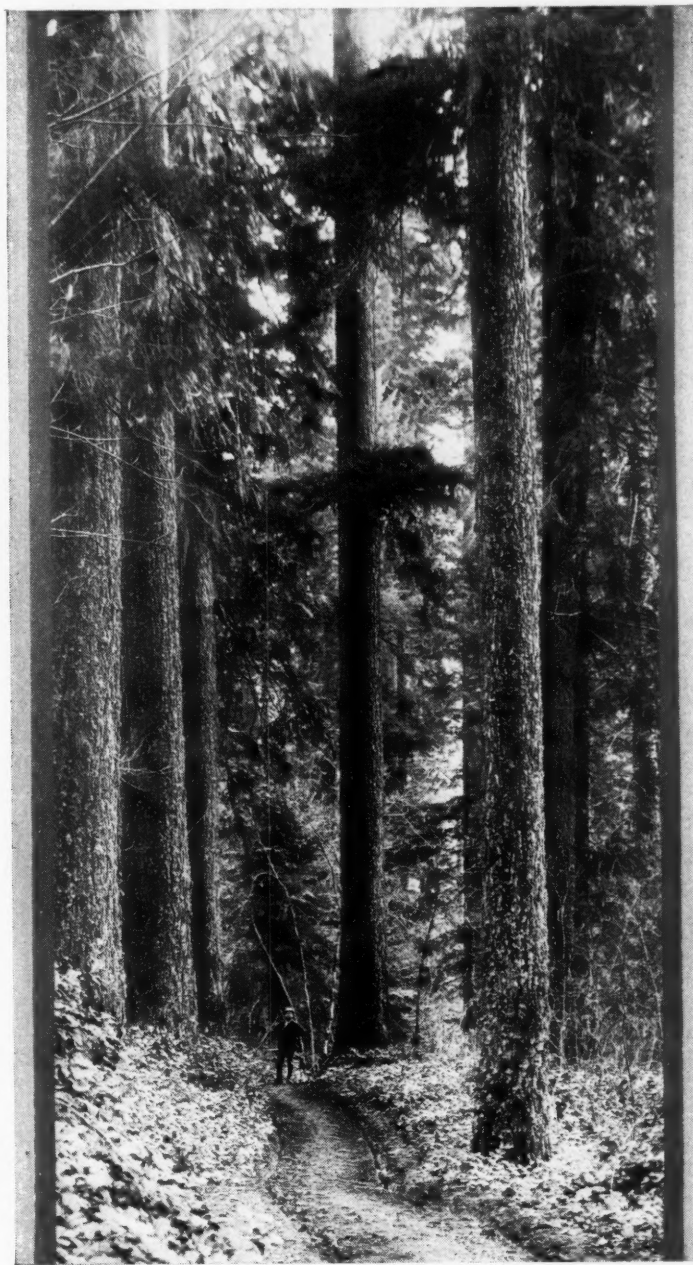
The order forbids "publishing or causing to be published, directly or indirectly, derogatory interviews or other publicity concerning the nature, ingredients or effect of its competitors' baking powders, the company concealing its connection with or interest in such publication."

Graham-Paige on Air

Graham-Paige Motor Corporation, Detroit, has signed a contract with the Columbia Broadcasting System for a series of broadcasts over a national network of forty stations to begin Sunday evening, January 4.

As much a part of Oregon as are her OREGON FIRS

One of the first impressions visitors to Oregon receive, is that of green, cool, attractive firs . . . thousands of acres of them — fragrant, massive beyond description . . . potential wealth past all computing. Right now \$100,000,000 annually goes back into Oregon industries from the sale of lumber products. ¶ The history of Oregon is the history of the Oregon Fir. It is indigenous to Oregon! And just as indigenous is The Oregonian, the favorite newspaper of Oregon people. The Oregonian's roots lie deep in their affections, for it has kept faith with them for eighty years. So great has been its reader acceptance that it has led each year for eighty years in the classifications that make for newspaper value. ¶ Where else in all the world such giant firs? ¶ Where else a newspaper that has held undisputed leadership year after year for eighty years in circulation and in advertising lineage?



© Sawyer Scenic Photos, Inc.

One of the foundations of Oregon's wealth is her giant firs. Here one-fifth of all the standing timber in the United States is located. Here lumbering is a mighty industry employing 45,000 Oregonians and which has made the Port of Portland the largest lumber shipping port in the world.

Represented nationally by
WILLIAMS, LAWRENCE & CRESMER
NEW YORK CHICAGO SAN FRANCISCO
LOS ANGELES SEATTLE

The Oregonian.

P O R T L A N D , O R E G O N



For 80 years the preferred newspaper of Oregon People

U. S. Studies Consumer Demand and Industrial Marketing

The Bureau of Foreign and Domestic Commerce has recently set up organizations to study consumer demand and industrial marketing. As sections of the merchandising research division, these organizations promise to be of invaluable service to manufacturers and distributors of finished products in many phases of their merchandising and advertising, and to those producers whose goods are fabricated or used in the manufacture of finished products by others.

Although the activities of these sections have not been covered by the bureau in the past, the demand for information has been insistent. During about the last five years more than 400,000 inquiries have been received for information on consumer demand. Although fewer in number, communications on industrial marketing have shown the need of investigation and the establishment of marketing records in this field.

The consumer analysis section, under B. B. Aiken, will take part in a survey of retail drug distribution, now being started in St. Louis. Similar to the Louisville grocery survey, this work will analyze consumer needs and buying habits, reactions of consumers to various types of sales promotion and store display, and seasonal and cyclical influences which may affect the trend of consumer purchases.

Recently, in commenting on the work of this section, H. C. Dunn, chief of the merchandising research division, said that comparatively few manufacturers have ascertained the facts as to those consumer preferences and needs which influence the sale of their merchandise, and that the work of the section is expected to reveal some surprising and valuable aids in selling a wide variety of manufactured products.

"To a very large extent," Mr. Dunn continued, "and in the production of a wide range of products, we have found that manufacturers have been guided almost entirely by tradition. They make their goods in certain ways because they have always made them so. The goods may have been right at the time they were designed; but living conditions, tastes, fashions, buying habits and many other things that influence the sale of many kinds of merchandise have changed. Naturally, certain changes in innumerable kinds of manufactured products are

in order, to keep pace with the times; but what these changes should be, manufacturers in large numbers are at a loss to know because of inadequate consumer data.

"In some instances, where manufacturers have gone to the trouble and expense of making individual consumer investigations, improvements have resulted, new and unusually profitable uses and demands have been discovered, and a greater volume of business has resulted because the goods have been made more satisfactory and useful to the consumer and more economical and effective ways have been found to distribute them. Hence the purpose of the consumer analysis section will be to accumulate data on the preference and buying habits of consumers, so that manufacturers can intelligently improve not only their products, but also their packaging, merchandising, advertising and distribution methods.

"The work also will be concerned with the difference in territories and marketing areas. How many manufacturers, especially those who distribute through the wholesale channels, know who their prospects and final customers are? In every territory there are racial and other influences, as well as those of income, that affect the sale of a great many items of merchandise.

"While the work will be concerned with markets, primarily, its results will be valuable to the manufacturer in his practice of merchandising. Our purpose is to furnish the means for more economical and effective merchandising management."

Regarding the industrial marketing section, under G. Reed Salisbury, Mr. Dunn explained that the general movement of industrial materials represents a volume estimated at \$35,000,000,000 annually. These are the goods that go into industry, as well as those that are used by factories, and Mr. Dunn emphasized that the activity of the new section, in determining sufficient data for the analysis of the various industrial markets, should be as valuable to the buyers as to the sellers of industrial materials.

"The principal purpose of the new section," he said, "will be to study the problems of significant importance which industrial trade associations find it impossible to undertake. The importance of this work is indicated by the various estimates of losses and

waste in the field, largely due to inefficient distribution methods.

"These preventable losses are estimated at several billion dollars a year; but present data are not sufficient to enable distributors to prevent them by properly analyzing their industrial markets. If distribution were rationalized to the degree that prevails in the various processes of their manufacture, there would be no doubt that a substantial part of the present loss would be saved to the public."

Mr. Aiken was formerly a member of the sales engineering staff of Cheney Brothers, silk manufacturers. Previously he was engaged in sales promotion with the United Fruit Company, and for five years was a member of the marketing department staff of the former George Batten Company (now Batten, Barton, Durstine & Osborn, Inc.), where he conducted market and sales analyses, and studied consumer demands, buying habits and merchandising trends.

For the past eight years, Mr. Salisbury was engaged in analyzing problems of industrial distribution for individual companies. Recently, he directed sales research and market analysis for a large optical company. As consultant, he has supervised extensive research projects for several large manufacturing and distributing companies, and during the last three years he was also an associate professor of applied psychology and business administration.

"While the work of these two sections is in widely different fields," Mr. Dunn said, in conclusion, "it is devoted to a single purpose—to furnish manufacturers and distributors with the means of scientifically adjusting their merchandise and their methods to present-day needs."

Textile Firms Launch Joint Sales Agency

North Star Woolen Mills, Minneapolis, blankets, and Wamsutta Mills, New Bedford, Massachusetts, sheets and pillow cases, will combine sales forces January 1 to handle both lines. Identities of both companies will be maintained.

Sales headquarters will be at 180 Madison Avenue, New York, with branches to be established in Chicago and San Francisco.

ANTICIPATED SALES!



*Commercial
Covers
for Every Purpose*



*Artificial Leather
Flexible Mocotan
Hot Die Embossed Paper*

*for Any Style of
Binding*

*Molloy Covers
Will Help
Attain Any
Sales Quota*

Because,

they command attention and enhance the value or importance of the book—thus giving your merchandising presentation a better chance to increase your sales.

If You,

need much help—if you want to lift your book out of the competitive class, then Molloy artists will be pleased to submit a cover idea. Send for sample Molloy Made Cover.

THE DAVID J. MOLLOY COMPANY

2869 North Western Avenue
CHICAGO

New York Address
52 Vanderbilt Avenue

Gossip

E. W. MACAVOY and M. ROBERT HERMAN have joined Huber Hoge, Inc., New York agency, in executive capacities. Mr. Macavoy was formerly vice-president and merchandising director of the Andrew Cone General Advertising Agency, Inc., and previously president of the Macavoy Advertising Company, of Chicago; Mr. Herman had been vice-president of the Arthur Hirshon Company, Inc., and previously vice-president and general manager of Albert Frank & Company. . . . STANLEY H. CHAMBERS, formerly vice-president of Alfred Wallerstein, Inc., has become vice-president and director of service of Redfield-Coupe, Inc., New York agency. . . . FRANK HOWLEY, designer and copy writer with the Strathmore Paper Company, West Springfield, Massachusetts, is now on the creative staff of Jerome B. Gray, Advertising, Philadelphia. . . . A. E. HOLDEN, secretary of the Japan Society of Seattle and head of the Pacific Advertisers, has joined the Izzard Company, Seattle agency, retaining contact on the Nippon, Yusen, Kaisha Line account. . . . R. L. HARLOW, who recently sold out his interest in Nelson, Duncan & Harlow, Boston agency, has been appointed assistant to JOHN SHEPARD, 3D, president of the Shepard Broadcasting Service, Inc., there. . . . STEPHEN FLYNN, for many years a member of the advertising sales staff of *Cosmopolitan* and other Hearst publications, has joined the advertising staff of the Perry L. Smith Publishing Corporation, publishers of *Trunks & Leather Goods*, New York. . . . RUSSELL BACON has been appointed art director; RUTH BUSINGER, D. C. CASMIR, BETTY DWYER and EDMUND IRELAND, account representatives, on the staff of Casmir & Laird, Inc., New York agency, the name of which has been changed from Casmir, Laird & Company. . . . JOHN J. LOVE, advertising representative with the Butterick Publishing Company and Ray G. Maxwell & Company, Inc., is now with the selling organization of the H. & W. Corset Company, traveling in Southern territory. . . . ALFRED H. NOYES, formerly with Batten, Barton, Durstine & Osborn, Inc., and more recently business manager of *Oil Heat*, is now vice-president and general manager in charge of sales of Arthur Hill, Inc., printers. . . . J. MORA BOYLE, manager of local advertising of the New York *Morning World*, has been made manager of national advertising for the *Morning, Evening and Sunday World*, succeeding John Brewer, now a partner in Small, Spencer and Levings, newspaper representatives.

Launch New York Guide

Edward M. Carney, supervisor of promotion for the Hearst Newspapers and editor of *Exchanges*, their internal house organ, has resigned to become president of the Visitors Guide Publishing Company, Inc., and publisher of *This Week in New York*, official amusement guide book of the Hotel Association there. Caleb Clarke Moore is managing editor; William F. Seals, formerly with the Hearst promotion department, advertising manager. Offices are at 175 Varick Street.

Morticians Find Slump Makes Us Healthier

One of the strange twists due to business depression is the fact that the undertakers are complaining—not because people have less expensive burials but because fewer die.

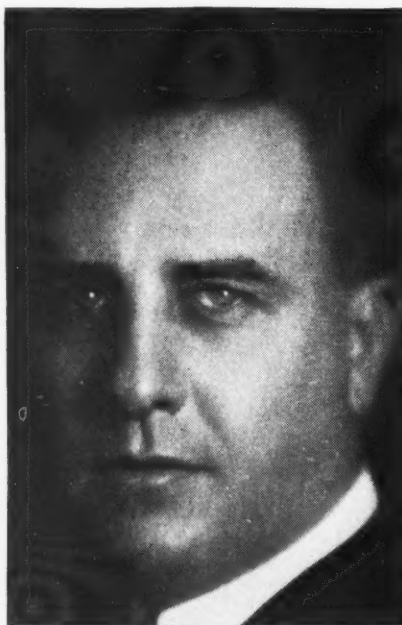
The death rate of the nation in 1930 has dropped, not only in smaller places but in the cities. Chicago, for example, is reported to have had about 2,000 deaths "under normal" for the year. Physicians, in explanation, say that this is because the people live on a more moderate scale; do not eat, drink and "enjoy" themselves to death.

Florists complain, too, that people apparently have fewer "friends" during a business depression; at least the friendly giving of flowers strikes a low ebb in such times.

Edison General Electric Promotes Ray Turnbull

Ray W. Turnbull, for the last four years Pacific Coast district sales manager of the Edison General Electric Appliance Company, Chicago, has been elected vice-president in charge of sales and advertising.

Mr. Turnbull entered the employ of the General Electric Company in 1911, and has had various important sales positions chiefly on the Pacific Coast.



Ray W. Turnbull

Account Changes

JOHNS-MANVILLE CORPORATION, New York, building materials and asbestos products, to J. Walter Thompson Company, Inc., there.

DEVAUX - HALL MOTORS CORPORATION, Oakland, California, introducing new Devaux Six motor car, to James Houlihan, Inc., there. National magazine, automobile trade publications, direct mail to the trade and spot newspaper and radio campaigns.

PHILLIPS PETROLEUM COMPANY, Bartlesville, Ohio, to Lambert & Feasley, Inc., New York.

A. J. LINDEMANN-HOVERSON COMPANY, electric, gas and kerosene ranges and electric appliances, and MILWAUKEE GAS SPECIALTY COMPANY, lighters, oven heat controls, etc., both of Milwaukee; and U. S. MANUFACTURING COMPANY, Decatur, Illinois, wire specialties, to Cramer-Krasselt Company, of Milwaukee.

STONE SHOE COMPANY, New York, designers and manufacturers of boudoir slippers and sandals, to Hazard Advertising Corporation, there.

GENERAL AMERICAN TANK CAR CORPORATION, Chicago, railroad freight cars, to Fitzgerald Advertising Agency, Inc., New Orleans and New York. National business magazines and trade papers.

HEATH AIRCRAFT CORPORATION, Chicago, light planes, to Earle Ludgin, Inc., there.

INDUSTRIAL UNIT HEATER ASSOCIATION (comprising unit heater manufacturers in the United States); and WAHL CLIPPER CORPORATION, Sterling, Illinois, Wahl Hand-E Hand Massage Unit, a new product, to Simmonds & Simmonds, Inc., Chicago. Trade papers and direct mail for the latter.

FREE WHEELING PATENTS CORPORATION, South Bend, Indiana, to the Roche Advertising Company, Chicago. Newspapers in metropolitan cities.

MICHIGAN BOOK BINDING COMPANY, Detroit, to Witte & Burden, there.

WHITE'S TOILET GOODS, INC., electric comb, and PERCO-STERIL MACHINE COMPANY, Perco washers, both of New York, to Cutajar & Provost, Inc., there. Women's magazines, trade publications and newspapers for the former; women's magazines, trade publications and direct mail for the latter.

EDMOND DEWAN COMPANY, linen importers, and STAREX NOVELTY COMPANY, novelties, both of New York, to Burton-Nelson Company, Inc., there. Magazines, trade publications, and direct mail for the former; magazines and direct mail for the latter.

EN-TOUT CAS COMPANY (SYSTON) LTD., tennis courts, and MINWAX COMPANY, INC., building supplies, New York City, to Blaker Advertising Agency, Inc., there.

DOES YOUR RADIO PROGRAM APPEAL TO THIS GROUP?

Study the faces of
these women



Are They
Your Customers?

The happy group shown in the picture above, taken at a recent WENR cooking demonstration, is proof positive that the housewives of the Middle West are hungry for information. They represent only a few of the thousands of women who listen in on WENR programs daily.

Will your radio program interest them? They are your prospective customers.

Nine years of broadcasting experience has taught us how to appeal to this market for your product.

Reserve time now for your 1931 Sales program.

50,000 WATTS

TELEPHONE
FRANKLIN 5000

WENR

20 North Wacker Drive
CHICAGO - - - ILLINOIS

THE VOICE
OF SERVICE

Editorials

SELLING AS PARTNER OF PRODUCTION: Reorganization of American Wool's management was inspired by a desire to get the company into line with modern selling methods. There was no discoverable lack of forwardness in the manufacturing activities. Backwardness was suspected only in the merchandising end of the business. That a publisher and retailer were called upon to make good the deficiencies is a pointer of no small significance. . . . Of like bearing is much current comment on diagnoses of our present troubles which find urgent need of greater skill in dealing with the customers of producers. Behind most of this comment lies the thought that high-pressure salesmanship, intent only on immediate accomplishment, is an evil of the febrile state which precedes unsettlement. To what extent this is true is less important than the resulting impulse now spreading toward salesmanship that finds inspiration in the customer's interest quite as much as in the seller's interest. This means, of course, salesmanship fortified by a high degree of intelligence and equipped with that knowledge of markets and of public taste which is essential to successful merchandising. . . . The old order was satisfied too often with salesmen capable of acting on explicit instructions but lacking fundamental information and intelligence qualifying them to deal with particular situations on broad lines. The objective was volume of sales rather than a solid foundation of good will, parent of steady demand. It is of happy augury that management today, while abating none of its aggressiveness, is inclined to readjust the emphasis of its drive so that power in salesmanship may be beneficial on both sides of the transaction. We seem to be entering an era of partnership between selling and production, and leaving an era of selling as the servant of production. It is a transition of great promise.

BUILDING FROM EXPERIENCE: The National Retail Dry Goods Association is to hold its twelfth annual convention in New York next February under the slogan "Build Sound Management—From 1930 Experiences." The slogan is a good one if by "1930 experiences" is meant the fruits of older bad practice. Studying our misfortunes of this year may teach us how to bear them with a grin. But if we want to smile with confidence in the future we shall have to go farther back to the sources of our present suffering and make sure of avoiding them in the future. . . . This does not imply that the retailers should spend their convention labors in trying to discover the origins of our present straits. The

world is full of such delvers. It implies only that merchants seeking to profit from the lessons of sad experience should make sure that they know the roots of their own difficulties and resist the temptation to be satisfied with scrutinizing the all too apparent growth from these noxious roots. . . . Sound management built from the experience of 1928-29 will seek enduring foundations in merchandising policies that measure results in steady growth, not in volume that swells with the rise of enthusiasm.

EMPLOYMENT AND PAYROLLS: The Bureau of Labor Statistics finds that factory employment last month was only 2.67 per cent less than in October, a smaller decline than occurred in the same period a year ago—assuming that the returns collected by the bureau from 10,536 establishments classified into fifty-four groups afford a fair cross-section of labor conditions in the country's manufacturing plants. Average employment in November was 76 per cent of a full normal force working 90 per cent of full time. Payrolls were 6.05 per cent less than in October. In these figures there is reason for encouragement, especially when the conditions in November are compared with those of the same month last year. Here we find that while employment last month was 18.35 per cent under that of a year ago, payroll was less by 28.18 per cent. . . . These data do not bear out the assertion frequently heard that although employment has shrunk, wages have been fairly well maintained in spite of the hard times. The facts here disclosed may be the result of what William Green, president of the American Federation of Labor, characterizes as surreptitious reduction of wages. They are in any case facts which should be faced if we are to deal with the situation intelligently. The tendency, prevalent in many quarters, to ignore or misrepresent them is conducive neither to clear thinking nor to helpful suggestion. . . . In a few industries—notably the newspaper industry, the food industries and the tobacco industries—decreases in payrolls have not been much greater than in employment. In the great majority of the manufacturing industries, however, the amount paid out in wages has declined much more rapidly than the number of persons engaged. The reason for this is plain. Employers have sought to distribute wages as widely as possible so as to prevent as far as they could accessions to the army of the jobless. The dilemma with which they have been confronted has been a cruel one at best. To assume that they dealt with it heartlessly when they considered the welfare of the greatest number is scarcely warranted.

FOR USERS OF OFFSET PAPERS

A way to save money other than buying cheaper Papers

« « « **Try Snow White Offset in lighter weights.** This will save also in your mailing costs—sometimes a very important item.

« « « To do this successfully you must use a Paper with exceptional opacity—one greater than that of other ordinary Offset Papers.

« « « Snow White Offset brings you this radical improvement because it is coated with a Dull Finish by a patented process.

Not a new sheet, but one in wide use for the past two years—Snow White Offset deserves your interest.

THE MEAD SALES COMPANY, Inc.

CHICAGO, 111 W. Washington Street NEW YORK, 230 Park Avenue DAYTON, Callahan Bank Bldg.

THE MEAD CORPORATION, CHILLICOTHE, OHIO

Stocks carried in principal cities



GREETINGS!

WE extend seasonal felicitations wishing for you a full measure of success and happiness.

Prosperity is measured very largely by the increase in the exchange of economic goods. Sound advertising is the principal factor in our commercial activities. Pictures promote both buying and selling.



"STERLING"—an institution of photo-engraving in all processes.



STERLING

ENGRAVING COMPANY

East Plant - 304 East 45th Street • VAnderbilt 3-7661

West Plant - 475 Tenth Avenue • MEdallion 3-1900

NEW YORK, N. Y.

TOTALS

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The leaders LEAD

MORE merchants, executives, professional men and manufacturers, as well as all other occupational groupings of Metropolitan Cincinnati read the Times-Star than any other daily newspaper.

These men are the accepted business and professional leaders and their families are the leaders in the purchase of established and new commodities and products.

Selling them your product in the Cincinnati area is most economically and successfully accomplished by the exclusive use of the Times-Star.

(Actual number of each occupational group reached by each Cincinnati daily paper sent upon request.)

The Cincinnati Times-Star

"THE KEY TO THE CITY"

Eastern Representative
MARTIN L. MARSH

60 E. 42nd Street
New York City, N. Y.

Western Representative
KELLOGG M. PATTERSON
333 N. Michigan Ave.
Chicago, Illinois

How W. & J. Sloane Cut Waste with a Rebuilt Sales Plan

(Continued from page 458)

will produce a small gross profit, which is soon eaten up by the cost of warehousing, sales and administration. A distributor could easily make an analysis of this at the close of each season and plan the coming season on what he has learned. Increasing sales is not enough, for an adequate gross profit must also be maintained. Two years' sales are recorded on one card, as we have planned it, and the reverse side of a card can carry two more years' records on it. This permits rapid comparison and quickly reveals the status of any customer as a profitable or an unprofitable account.

At the close of each season all customers' cards should be totaled to obtain the county card and all county cards should be totaled to obtain a sales territory card. The sales territory cards will give a picture of the total distributor's business.

Six Months' Picture

By comparing these figures with the yardstick previously set up, the distributor will rapidly obtain a detailed and accurate picture of the past six months. In themselves, these pictures are of little value; as a guide to further planning they are indispensable. Unprofitable accounts can be weeded out or handled to become profitable, unprofitable salesmen can be detected, eliminated or placed on a remunerative basis showing net profit to the distributor, weak sections can be cast into relief and set aside as areas for greater sales promotion emphasis in the coming season. Furthermore, Sloane's sales promotion men can render the most effective help to the distributor in these areas.

The cost of keeping these records is infinitesimal compared with what can be gained through this added sales control.

This is just one phase of the work done by one manufacturer in organizing his distribution system to obtain a maximum of sales with a minimum of cost. In addition, there has been the organizing and training of the manufacturer's own salesmen covering the trade buying direct from the mills, the training of a sales promotion staff, in the field selling the plan (not merchandise) to retailers, assisting in the training of distributors' salesmen and performing other functions to facilitate the smooth flow of merchandise. There has been the establishment of

an inventory control system for the mills, to supply all normal demand without excessive investment, and the organizing of a sales control system to determine how the sales plan operates at any time, how units in the machine function.

All have as their objective elimination of waste in selling. There will always be some waste, but we can avoid a large part of it by aggressive management plus intelligent planning. The day of the go-getter salesman is gone. Selling today requires careful planning and trained troops. Victory and profit go to him who has planned and trained most carefully.

Chicago Distribution Report Nearly Ready

(Continued from page 462)

In preliminary reports it is impossible to separate receipts for service from receipts for merchandise. In final reports, however, these will be shown separately.

The abridged figures do not provide the basis for correctly computing average wages and the like. Part-time employees are not included in the preliminary reports; but the total of salaries and wages includes the entire payrolls.

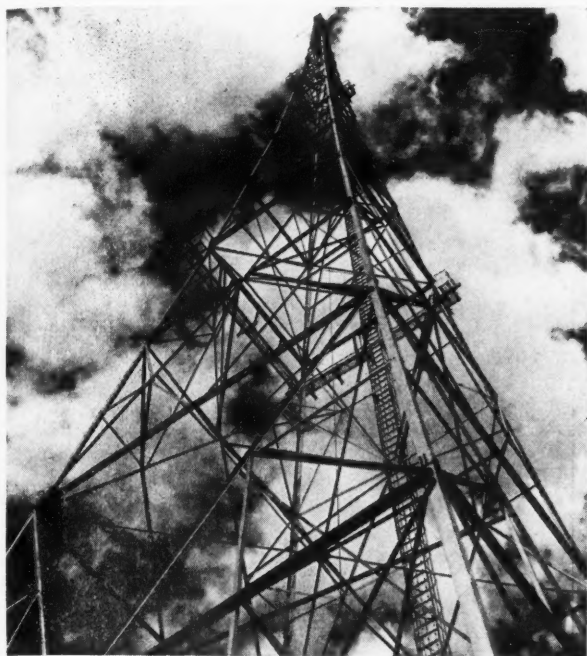
The final reports will show not only the number of part-timers and their wages, but also the number of proprietors who are wholly or primarily engaged in the operation of their stores although not classified as employees. And the final figures, as shown by the corrected reports, will provide a basis for computing average wages, average sales an employee, and rate of stock turn.

New Picture Magazine

Hansa, a national publication which derives its name from the old Hanseatic League of merchants and manufacturers in the cities surrounding the Baltic Sea, has made its debut at Chicago. Published monthly and devoted to the news of the world in pictures, *Hansa* is expected to have a net paid circulation of 100,000. Powers & Stone, Inc., has been appointed national representative.

Dry Goods Meeting February 2

"Build Sound Management—From 1930 Experience" will be the keynote of the annual meeting of the National Retail Dry Goods Association at the Hotel Pennsylvania, New York, February 2-6.



WLW

The Nation's Station

The atlas of radio bears the burden of a nation's entertainment. The transmitting apparatus, equally important in bringing melody into millions of homes, is on a par with the high excellence of the studios themselves.

*The new WLW brochure is
yours for the asking.*



**THE CROSLEY RADIO
CORPORATION**
CINCINNATI



COVERAGE

Where You Want It

When you make up a dairy paper schedule, you surely wish to cover the rich dairy region adjacent to New York City, the world's greatest fluid milk market.

In this great territory, there is just one dairy paper of substantial circulation and established influence. This is the Dairy-men's League News, published by the dairy farmers themselves through their cooperative association.

No national dairy paper can give you adequate coverage in this desirable territory. Your schedule, to be complete, *must* include the Dairy-men's League News, with its entire 57,000 circulation concentrated in "The New York City Milk Shed."



This Map Shows
"The New York
City Milk Shed"

**DAIRYMEN'S
League
NEWS**

Write for Sample Copy and Rate Card

NEW YORK
11 W. 42nd St.
R.L. Culver, Bus. Mgr.
Phone: Pennsylvania 4769

CHICAGO
10 S. La Salle St.
John D. Ross
Phone: State 3552

**"THE DAIRY PAPER OF THE
NEW YORK CITY MILK SHED"**

Tracing Your Wholesale Trade

(Continued from page 468)

All the nationally advertised brands—Eddy, Servel, White Mountain, Leonard's Glacier, Universal, General Electric—scored three points each, the same as True Par and Rhinelander.

Radios

Private or sectional brands registered their fourth and final victory in radios, the last article on which responses were obtained from hardware jobbers. In this case the leadership was marked probably because few of the radio manufacturers do their selling through hardware wholesalers.

Brand	No. Times Mentioned	Rating
Private or sectional	10	29
Nationally advertised	6	14

Private or sectional brands also led in individual preferences, although a nationally advertised brand took second place.

Brand	No. Times Mentioned	Rating
Sentinel	3	9
Majestic	3	5

Of the remaining nationally advertised brands—Philco, 3; Crosley, 3; Bosch, 2; Atwater Kent, 1—none stood out better than the sectional brands, of which there were eight.

In the hardware group there were 208 mentions of nationally advertised brands, as compared with 105 mentions of private or sectional brands.

Nationally advertised brands scored 542-5/6 points, as compared with 263-1/6 points for private and sectional. This would appear to make an excellent case in favor of nationally advertised brands of hardware sold in small towns.

(The preceding articles in this series appeared November 8, 22 and December 6.)

Intensive Follow-through Cashed this Campaign

(Continued from page 459)

the trouble to follow up this prospect, either through the mail or by telephone, you will be able to make a worth-while sale, as his name was sent to us through the mail in answer to one of our Whiting & Davis 'Save-a-Man' advertisements.

"If you do not have the bag that he selects in your stock, we would be glad to forward it to you by return mail, special delivery, charging it, of course, through the regular wholesaler with whom you do business. Just write us, giving the number that he selects as it is listed in the folder sent to him, and we will give it our immediate attention."

This letter was also personally written and personally signed by the president.

The campaign was concentrated on some twenty-four numbers out of several thousands manufactured. This

... here's a concentrated, lucrative, easily-covered market that no manufacturer can afford to overlook—profitably.

\$11,963,404.00

is spent
annually for

DRUGS

by readers of

**The
Columbus Dispatch**

—Always First in Ohio

Net-Paid Circulation

127,135

Maybe You Need to Tell the World!

Perhaps a well-placed word here and there in newspapers and magazines about your business and its products would have a tonic effect on sales?

Newspaper, magazine and public relations work has fitted me to be a help to you. Conversant with sales, merchandising, advertising and market research.

Available January 1.

Write Box 273

SALES MANAGEMENT
420 Lexington Avenue
New York, N. Y.

made for economy in advertising and handling, obviated confusion in the mind of the prospect and kept down designs the dealer had to stock. The 300 wholesalers handling Whiting & Davis products were thoroughly protected by the manufacturers' policy of charging all direct mail orders through the wholesaler to the retailer. No bags were sold direct to the consumer.

Besides the national consumer advertising, a special appeal was made to retailers through direct mail pieces and class paper advertising. The direct mail piece gave details of the consumer campaign, with illustrations of some of the bags, and contained a reply card for the dealer to send in order to have his name registered as one who could supply the wants of all prospective customers in his territory with the advertised bags. Names of all prospects in his territory received on the coupons were sent to him, following receipt of the card, and a display assortment of bags also (charged to him through his wholesaler) with a free display easel for each bag.

Some Policies that Will Insure Profits for 1931

(Continued from page 455)

- 1 Make profits the first deduction from sales income.
- 2 Budget business to "live within" the balance.
- 3 Synchronize sales, production, finance and administration in the work of budgeting.
- 4 Plan and control profit-making on basis analogous to production planning and control.
- 5 Tie budgeting in with accounting records, and make it "variable."
- 6 Provide budget "targets" for personnel to shoot at.
- 7 Reward personnel for hits made.
- 8 Organize personnel for cost-reduction drives, so that balance after deducting profits will be *sufficient*.
- 9 Place controller under chief executive and on a par with general manager.
- 10 Make a "profitgraph" which is the master-budget chart for the business for a year.

Losses are going to be the lot of those, during 1931-1932, who plan from month to month, or on the spur of the moment—and the stockholders will pay the price for this form of "guesstimating."

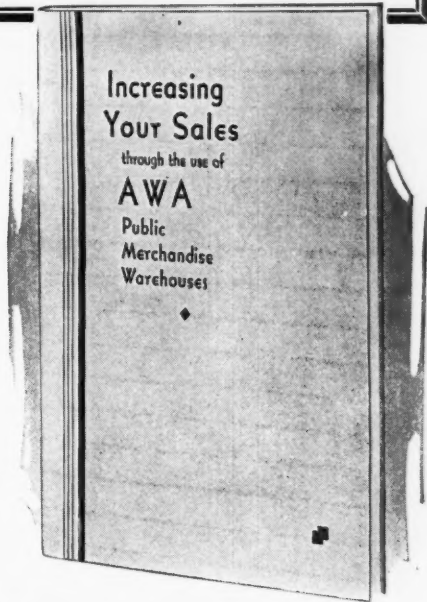
Profits will go to those managers in the two years mentioned who put their profit-making on this ten-point foundation.

This is the price to be paid for profits!

"Increasing Your Sales" through the use of A. W. A. Merchandise Warehouses

3,000
Executives
have asked for
this Book

GET YOURS FREE!



WRITTEN for manufacturers and shippers generally, this booklet will be of great interest to your sales manager and to all of your executives who have a hand in your firm's distribution policies.

It describes how the strategic placement of spot stocks in A. W. A. warehouses has enabled hundreds of manufacturers to cut their distribution costs... secure more and better jobbers and dealers... save freight and the expensive operation of branch houses... increase sales and net profit.

This interesting and authoritative booklet suggests how you may apply this proved distribution method *to your own business*... enables you to request a marketing survey which will show you just what A. W. A. warehouses can do to make your business more profitable.

A. W. A. Warehouses are located in 189 cities of the United States, Canada, Cuba and Hawaii. They furnish all necessary facilities and services required for the spot-stock distribution of raw materials, manufactured articles and service parts of every kind.

Send today for our free booklet. Merchandise Division, American Warehousemen's Association, 1818 Adams-Franklin Bldg., Chicago, Ill.

**AMERICAN WAREHOUSEMEN'S
ASSOCIATION**

Survey of Surveys

(Continued from page 446)

of personal income tax returns for 1926-7-8; estimates of the city vs. the suburban population; the percentage of native whites, of Negroes, of foreign-born, and of English reading; the number of schools of all kinds; of churches of all denominations; of national and state banks; of legitimate and movie theaters, of auditoriums, etc., and their seating capacity; data on location and transportation, on nearby airports and landing fields; a list of the principal industries with an estimate of their total annual payroll; the number of manufacturing establishments and a list of the residential features; a word picture indicating the extent of the retail shopping section and of the surrounding retail trading area; the number of wholesale and retail outlets of all kinds; the number of morning and evening newspapers and (as stated above) much additional general miscellaneous data.

This huge and valuable market guide is put out each year as Section II of one of fall issues of *Editor & Publisher*. Subscription price of the magazine is \$4 a year and if you didn't get anything else of interest during the entire year (which of course you do) you'd have your money's worth, and more, in this one issue. Get your money in right away if you expect to get a copy of the 1931 Guide. So far I'm told they invariably run out each year. Address *Editor & Publisher*, Times Building, New York City.

Thumbnail Review

An Outline for Market Surveys. A very useful handbook in studying markets and marketing methods. Available from George C. Smith, Director of Industrial Bureau of St. Louis, 511 Locust Street, St. Louis, Missouri. (Free.)*

*To be reviewed.

Please Excuse

We apologize to the New York *Sun* for having credited it with little more than a third of its lineage for October in *SALES MANAGEMENT* for November 29. While only the figure one was dropped, in this case it was a very important one. The figures should have read:

1930	1929	Change
1,610,676	1,922,689	-312,013

Macfadden Shares Profits

Macfadden Publication, Inc., will distribute \$18,000 in Christmas bonuses this year to employees of two years or more in the services of the company. The last year was the most profitable in the history of the company—*True Story Magazine* alone billing approximately \$3,546,345 net, a gain of about \$464,616 over 1929.

New P. & G. Offices

Procter & Gamble Company, Cincinnati, has announced the opening of offices in Cleveland and Omaha—the former in charge of John Z. Heizer, the latter under E. Z. Zimmerman.

Hayes Joins Stearns

Ralph E. Hayes, formerly assistant general sales manager of the Lambert Pharmacal Company, has become central division manager of Frederick Stearns & Company, Detroit.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display
Cash Basis Only. Remittance Must Accompany Order

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty-one years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FROM our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis 10 years Sales Promotion Manager, Larkin Co James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

POSITION WANTED

SALESMAN—30, EXCEPTIONAL RECORD OF accomplishments in specialty field desires to change connection. Wide acquaintance among industrial and retail buyers in New York State. Mechanical line preferred. No salary desired. Now available. Address Box 270, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

EXPERIENCED SALES MANAGER IN Furniture and hardware field is available January 1. Has successfully directed a national sales force and personally knows the key men of jobbers, department stores, premium organizations, etc. Single, 45, and a real opportunity for the future, with profit sharing arrangement, is more important than the initial salary. Address W. W. B., SALES MANAGEMENT, 333 North Michigan Avenue, Chicago, Ill.

DIRECT MAIL

A LIVE HOUSE ORGAN TELLING THE right merchandising story to your distributors is the cheapest form of advertising insurance. Our 100 correspondents are trained to get information your trade requires. Let house organ experts solve the problem. Complete details furnished on request. J. J. Berliner & Staff, 1123 Broadway, New York, N. Y.

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WRITE more EASILY

WITH LISTO PENCILS and LEADS

A Million Users Know Their Superiority
Listo Pencil Corp., Dept. B, Alameda, Cal.

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